

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

In re: _____) Chapter 11
) _____
The Merit Group, Inc., *et al.*,) Case No. 11-03216-hb
) _____
 Debtors.¹) (Jointly Administered)
) _____

**SCHEDULES OF ASSETS & LIABILITIES
FOR THE MERIT GROUP, INC. (CASE NO. 11-03216)**

¹The Debtors and the last four digits of their respective tax identification numbers are: The Merit Group, Inc., f/k/a Lancaster Distributing Company, f/k/a Lancaster Paint Sundries, Inc. (4224); Merit Transportation, Inc. (9048); Merit Paint Sundries, LLC d/b/a Lancaster (8882); Merit Supply Company, LLC d/b/a Merit Supply (5878); Merit Pro Finishing Tools, LLC d/b/a Merit Trade Source (8544); Five Star Products, Inc. (9186); and Five Star Group, Inc., d/b/a Lancaster/Five Star, d/b/a Rightway (3506).

These Global Notes regarding the Debtors' Schedules and Statements of Financial Affairs comprise an integral part of the Schedules and Statements of Financial Affairs and should be referred to and considered in connection with any review of them.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

In re:)	Chapter 11
)	
The Merit Group, Inc., et al.,)	Case No. 11-03216-hb
)	
Debtors. ¹)	(Joint Administration)
)	

**GLOBAL NOTES AND STATEMENT OF LIMITATIONS, METHODOLOGY AND
DISCLAIMERS REGARDING THE DEBTORS' SCHEDULES OF ASSETS AND
LIABILITIES AND STATEMENTS OF FINANCIAL AFFAIRS**

On May 17, 2011 (the “Petition Date”), The Merit Group, Inc. and its affiliates (“Merit Group” or the “Debtors”), the above-captioned debtors and debtors-in-possession, commenced voluntary cases under Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”). The Debtors continue to operate their businesses and manage their assets pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

The Schedules of Assets and Liabilities (the “Schedules”) and Statements of Financial Affairs (the “SOFAs”) (collectively referred to hereinafter as the “Schedules and Statements”) filed concurrently herewith were prepared by the Debtors’ management pursuant to 11 U.S.C. § 521 and Rule 1007 of the Federal Rules of Bankruptcy Procedure (the “Rules”) using unaudited information dated as near as possible to the Petition Date, unless otherwise indicated. The Schedules and Statements do not purport to represent financial statements prepared in accordance with generally accepted accounting principles in the United States (“GAAP”), and they are not intended to be fully reconciled to the Debtors’ financial statements.

The Schedules and Statements have been signed by an authorized representative of each of the Debtors. In reviewing and signing the Schedules and Statements, the authorized representative of the Debtors has relied upon the efforts, statements and representations of the Debtors’ other personnel and professionals. Such representative has not (and could not have) personally verified the accuracy of each such statement and representation, including, for example, statements and representations concerning amounts owed to creditors and their addresses.

¹The Debtors and the last four digits of their respective tax identification numbers are: The Merit Group, Inc., f/k/a Lancaster Distributing Company, f/k/a Lancaster Paint Sundries, Inc. (4224); Merit Transportation, Inc. (9048); Merit Paint Sundries, LLC d/b/a Lancaster (8882); Merit Supply Company, LLC d/b/a Merit Supply (5878); Merit Pro Finishing Tools, LLC d/b/a Merit Trade Source (8544); Five Star Products, Inc. (9186); and Five Star Group, Inc., d/b/a Lancaster/Five Star, d/b/a Rightway (3506).

These Global Notes and Statement of Limitations, Methodology, and Disclaimer Regarding Debtors' Schedules and SOFAs (the "Global Notes") are incorporated by reference in, and comprise an integral part of, the Debtors' Schedules and SOFAs, and should be referred to and reviewed in connection with any review of the Schedules and SOFAs.

1. Reservation of Rights. The Debtors' Chapter 11 cases are large and complex. Although the Debtors' management made reasonable efforts to ensure that the Schedules and Statements of each of the Debtors are complete and accurate based on information that was available to management at the time of preparation, subsequent information or discovery may result in material changes to these Schedules and SOFAs, and inadvertent errors or omissions may have occurred. Because the Schedules and SOFAs contain unaudited information, which is subject to further review, verification, and potential adjustment, there can be no assurance that these Schedules and SOFAs are completely accurate.

Nothing contained in the Schedules and SOFAs or these Global Notes shall constitute an admission or a waiver of any of the Debtors' rights to assert any claims or defenses. For the avoidance of doubt, listing a claim on Schedule D as "secured," on Schedule E as "priority," on Schedule F as "unsecured nonpriority," or listing a contract or lease on Schedule G as "executory" or "unexpired," does not constitute an admission by the Debtors of the legal rights of any claimant, or a waiver of the Debtors' rights to recharacterize or reclassify such claim or contract. Failure to designate a claim on the Debtors' Schedules as "disputed," "contingent," or "unliquidated" does not constitute an admission by the Debtors that such amount is not "disputed," "contingent," or "unliquidated." Furthermore, nothing contained in the Schedules and SOFAs shall constitute a waiver of any of the Debtors' rights with respect to these Chapter 11 cases and specifically with respect to any issues involving, claims objections, equitable subordination and/or causes of action arising under the provisions of chapter 5 of the Bankruptcy Code and other relevant non-bankruptcy laws to recover assets or avoid transfers. The Debtors reserve all rights to amend or supplement their Schedules and SOFAs.

2. Reporting Date. The Debtors' fiscal year ends on December 31st. All asset and liability information, except where as otherwise noted, is provided as of the Petition Date.

3. Estimates and Assumptions. The preparation of the Schedules and SOFAs required the Debtors to make certain estimates and assumptions that affected the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenue and expense. Actual results could differ materially from these estimates.

4. Asset Presentation and Valuation. The Debtors do not have current market valuations for all of their assets. It would be prohibitively expensive, unduly burdensome, and an inefficient use of estate assets for the Debtors to obtain current market valuations for all of their assets. Wherever possible, unless otherwise indicated, net book values as of the Petition Date are presented. When necessary, the Debtors have indicated that the value of certain assets are "unknown" or "undetermined." Amounts ultimately realized may vary from net book value (or whatever value was ascribed), and such variance may be material. Accordingly, the Debtors reserve all rights to amend, supplement or adjust the value of each asset set forth in the Schedules.

5. Liabilities. Some of the Schedules list liabilities which are unknown and unliquidated at this time. In such cases, the amounts are listed as “unknown” or “undetermined.” Accordingly, the Schedules and SOFAs do not accurately reflect the aggregate amount of the Debtors’ total liabilities.

6. Recharacterization. The Debtors have made reasonable efforts to correctly characterize, classify, categorize, or designate the claims, assets, executory contracts, unexpired leases, and other items reported in the Schedules and SOFAs. Due to the complexity and size of the Debtors’ businesses, it is possible that the Debtors may have improperly characterized, classified, categorized, or designated certain items. In addition, except as otherwise disclosed, certain items reported in the Schedules and SOFAs could be included in more than one category. In those instances, one category has been chosen to avoid duplication. Further, the designation of a category is not meant to be wholly inclusive or descriptive of the rights or obligations represented by such item.

7. Bankruptcy Court Orders. The Bankruptcy Court has authorized the Debtors to pay various, limited outstanding pre-petition claims including, but not limited to, payments relating to employee compensation and benefits, customs brokers, and customers participating in various customer incentive programs maintained by the Debtors. Where the Schedules list creditors and set forth the Debtors’ scheduled amount attributable to such claims, such scheduled amount reflects amounts owed as of the Petition Date. To the extent any adjustments are necessary for any payments made on account of such claims following the commencement of these Chapter 11 cases pursuant to the authority granted to the Debtors by the Bankruptcy Court, such adjustments have not been included in the Schedules and SOFAs unless otherwise noted.

8. Assumptions Used to Prepare Specific Responses on the Schedules and SOFAs

- a. SOFA 3.b: In reviewing the Debtors’ books and records to prepare their responses to SOFA 3.b, the Debtors reviewed their check registries which reflected the date that checks were issued and bank statements. It is possible that some checks were issued prior to 90 days before the Petition Date which actually cleared the Debtors’ accounts within 90 days immediately preceding the Debtors’ Petition Date. Likewise, it is possible that some checks listed in response to SOFA 3.b were issued on or within 90 days before the Petition Date but did not clear the Debtors’ accounts on or before the Petition Date.
- b. SOFA 3.c: The Debtors have not listed all payments made within one year immediately preceding the Petition Date to or for the benefit of creditors who are insiders related to the following: (1) flexible spending accounts, (2) payroll taxes, (3) 401K contributions and matches, (4) health insurance premiums, (5) disability and life insurance policy premiums, (5) car payments, and (6) tax estimates. This additional information can be provided upon written request to counsel for the Debtors.
- c. SOFA # 5: The Debtors routinely purchase more than 10,000 different items from more than 750 suppliers in the course of operating their businesses. In the

ordinary course of the Debtors' business some of the product that is supplied to the Debtors is damaged or is otherwise defective and this product is returned to the supplier that shipped the damaged or otherwise defective goods. While SOFA # 5 requests that the Debtors "[l]ist all property that has been...returned to the seller, within one year immediately preceding the commencement of this case", it would be prohibitively expensive, unduly burdensome, and an inefficient use of estate assets for the Debtors to separately list each such return. Consequently, the Debtors have not listed any ordinary course of business returns in response to SOFA # 5.

- d. SOFA # 13: In order to maximize customer loyalty, the Debtors have maintained and followed practices and programs for the benefit of its customer (the "Customer Incentive Programs"). Through the Debtors' Customer Incentive Programs, the Debtors provide certain customers incentives to purchase product in the form of rebates. These rebates vary in form and substance based on the customer's historical purchasing and pricing practices. Through the Customer Incentives Program, rebates typically are earned on a quarterly or annual basis based on purchases made during such quarterly or annual period. Once a customer becomes entitled to a rebate, the Debtors typically credit the customer's account for any rebates that are earned. The identity of the customers who participate in the Customer Incentive Programs and the amounts paid to each is highly confidential and proprietary in nature and, to the extent any amounts credited to customers' accounts under the Customer Incentives Programs could be construed as a setoff, it has not been reported in response to SOFA # 13.
- e. SOFA # 19: The Debtors have not listed any parties who may have received or were provided with copies of the Debtors' books and records or financial statements in the ordinary course of the Debtors' businesses. In addition, parties who have been provided copies of or access to the Debtors' books and records and financial statements in connection with a contemplated sale of or other transaction involving the Debtors are not listed in response to SOFA # 19.
- f. Schedule D: Each of the Debtors is a party to certain loan and security agreements with Regions Bank (the "Regions Debt") and with Stonehenge Opportunity Fund II, LP (the "Stonehenge Debt"). The Debtors are jointly and severally liable on the Regions Debt and Stonehenge Debt. Consequently, the estimated amount owed on account of the Regions Debt and Stonehenge Debt is listed on Schedule D for each of the Debtors; however, as of the Petition Date, the Debtors, in aggregate, were only liable up to the amount of the Regions Debt and Stonehenge Debt.

B6 Summary (Official Form 6 - Summary) (12/07)
UNITED STATES BANKRUPTCY COURT
District of South Carolina, Columbia

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

Chapter 11

SUMMARY OF SCHEDULES

Indicate as to each schedule whether that schedule is attached and state the number of pages in each. Report the totals from Schedules A, B, D, E, F, I, and J in the boxes provided. Add the amounts from Schedules A and B to determine the total amount of the debtor's assets. Add the amounts of all claims from Schedules D, E, and F to determine the total amount of the debtor's liabilities. Individual debtors also must complete the "Statistical Summary of Certain Liabilities and Related Data" if they file a case under chapter 7, 11, or 13.

Name of Schedule	Attached (YES/NO)	No. of Sheets	Assets	Liabilities	Other
A - Real Property	YES	1	\$1,450,000.00		
B - Personal Property	YES	33	\$5,554,048.46		
C - Property Claimed as Exempt	NO	N/A			
D - Creditors Holding Secured Claims	YES	2		\$63,474,951.00	
E - Creditors Holding Unsecured Priority Claims (Total of Claims on Schedule E)	YES	5		\$422,945.93	
F - Creditors Holding Unsecured Nonpriority Claims	YES	2		\$2,712,049.78	
G - Executory Contracts and Unexpired Leases	YES	3			
H - Codebtors	YES	2			
I - Current Income of Individual Debtor(s)	NO	N/A			
J - Current Expenditures of Individual Debtor(s)	NO	N/A			
TOTAL		48	\$7,004,048.46	\$66,609,946.71	

B6A (Official Form 6A) (12/07)

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDEULE A - REAL PROPERTY

Except as directed below, list all real property in which the debtor has any legal, equitable, or future interest, including all property owned as a co-tenant, community property, or in which the debtor has a life estate. Include any property in which the debtor holds rights and powers exercisable for the debtor's own benefit. If the debtor is married, state whether the husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "HWJC." If the debtor holds no interest in real property, write "None" under "Description and Location of Property."

Do not include interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If an entity claims to have a lien or hold a secured interest in any property, state the amount of the secured claim. See Schedule D. If no entity claims to hold a secured interest in the property, write "None" in the column labeled "Amount of Secured Claim."

If the debtor is an individual or if a joint petition is filed, state the amount of any exemption claimed in the property only in Schedule C - Property Claimed as Exempt.

DESCRIPTION AND LOCATION OF PROPERTY	NATURE OF DEBTOR'S INTEREST IN PROPERTY	H W J C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION	AMOUNT OF SECURED CLAIM OR MORTGAGE
18.6 ACRES - SITE OF PAULINE DISTRIBUTION CENTER 2701 HWY. 56 PAULINE, SC 29734	FEE		\$95,000.00 ⁽¹⁾	\$2,166,220.00
67,750 SQ FT DISTRIBUTION CENTER 2701 HWY. 56 PAULINE, SC 29734	FEE		\$1,355,000.00 ⁽²⁾	\$2,166,220.00
Total			\$1,450,000.00	

(Report total also on Summary of Schedules.)

Footnote:

(1) Values based on an appraisal from the J.B. Mayo Company dated August 8, 2000.

(2) Values based on an appraisal from the J.B. Mayo Company dated August 8, 2000.

B6B (Official Form 6B) (12/0

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE B - PERSONAL PROPERTY

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories, place an "X" in the appropriate position in the column labeled "None". If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether the husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "HWJC." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only in Schedule C - Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property." If the property is being held for a minor child, simply state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007 (m).

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	H W J C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
1. Cash on hand.		SPARTANBURG, SC FACILITY		\$300.00
2. Checking, savings or other financial accounts, certificates of deposit or shares in banks, savings and loan, thrift, building and loan, and homestead associations, or credit unions, brokerage houses, or cooperatives.		SEE ATTACHED SCHEDULE B2		\$1,888,858.32

Subtotal (Total on this page)

\$1,889,158.32

B6B (Official Form 6B) (12/07) - Cont.

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	H W J C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
3. Security deposits with public utilities, telephone companies, landlords, and others.		SEE ATTACHED SCHEDULE B3		\$344,894.00
4. Household goods and furnishings, including audio, video, and computer equipment.	X			\$0.00
5. Books; pictures and other art objects; antiques; stamp, coin, record, tape, compact disc, and other collections or collectibles.	X			\$0.00

Subtotal (Total on this page) \$344,894.00

B6B (Official Form 6B) (12/07) - Cont.

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	H W J C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
6. Wearing apparel.	X			\$0.00
7. Furs and jewelry.	X			\$0.00
8. Firearms and sports, photographic, and other hobby equipment.	X			\$0.00

Subtotal (Total on this page) **\$0.00**

B6B (Official Form 6B) (12/07) - Cont.

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	H W J C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
9. Interests in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.		SEE ATTACHED SCHEDULE B9		UNKNOWN
10. Annuities. Itemize and name each issuer.	X			\$0.00
11. Interests in an education IRA as defined in 26 U.S.C. § 530(b)(1) or under a qualified State tuition plan as defined in 26 U.S.C. § 529(b)(1). Give particulars. (File separately the record(s) of any such interest(s). 11 U.S.C. § 521(c).)	X			\$0.00

Subtotal (Total on this page)

B6B (Official Form 6B) (12/07) - Cont.

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	H W J C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Give particulars.	X			\$0.00
13. Stock and interests in incorporated and unincorporated businesses. Itemize.		SEE ATTACHED SCHEDULE B13		UNKNOWN
14. Interests in partnerships or joint ventures. Itemize.	X			\$0.00

Subtotal (Total on this page) \$0.00

B6B (Official Form 6B) (12/07) - Cont.

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	H W J C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
15. Government and corporate bonds and other negotiable and nonnegotiable instruments.	X			\$0.00
16. Accounts Receivable.	X			\$0.00
17. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars.	X			\$0.00

Subtotal (Total on this page)

\$0.00

B6B (Official Form 6B) (12/07) - Cont.

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	H W J C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
18. Other liquidated debts owed to debtor including tax refunds. Give particulars.		941 REFUND US TREASURY, INTERNAL REVENUE SERVICE PO BOX 804522, CINCINNATI, OH 45280-4522		\$6,471.27
19. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule A -- Real Property.	X			\$0.00
20. Contingent and noncontingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	X			\$0.00

Subtotal (Total on this page)

\$6,471.27

B6B (Official Form 6B) (12/07) - Cont.

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	H W J C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.		UNPAID COMMISSIONS JONES LANG LASALLE, 200 E. RANDOLPH DR., CHICAGO, IL 60601		UNKNOWN
22. Patents, copyrights, and other intellectual property. Give particulars.		LANCASTER		UNKNOWN
		MERIT MAX		UNKNOWN

Subtotal (Total on this page)

\$0.00

B6B (Official Form 6B) (12/07) - Cont.

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	H W J C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
22. Patents, copyrights, and other intellectual property. Give particulars.		MERIT PRO (UNITED STATES; US PATENTS & TRADEMARK OFFICE REG #77054322 & 76897707)		UNKNOWN
		MERIT TRADE SOURCE		UNKNOWN
23. Licenses, franchises, and other general intangibles. Give particulars.		SEE ATTACHED SCHEDULE B23		\$0.00 ⁽¹⁾

Subtotal (Total on this page)

\$0.00

Footnote:

(1) Book value

B6B (Official Form 6B) (12/07) - Cont.

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	H W J C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
24. Customer lists or other compilations containing personally identifiable information (as defined in 11 U.S.C. § 101(41A)) provided to the debtor by individuals in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes.	X			\$0.00
25. Automobiles, trucks, trailers, and other vehicles and accessories.		2005 HONDA ACCORD VIN 1HGCM66575A011894 SPARTANBURG, SC		\$13,150.00 ⁽²⁾
		2007 GMC YUKON VIN 1GKFK16317J370250 SPARTANBURG, SC		\$25,400.00 ⁽³⁾

Subtotal (Total on this page) \$38,550.00

Footnote:

- (2) Value based on NADA "clean" trade-in value
 (3) Value based on NADA "clean" trade-in value

B6B (Official Form 6B) (12/07) - Cont.

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	H W J C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
26. Boats, motors, and accessories.	X			\$0.00
27. Aircraft and accessories.	X			\$0.00
28. Office equipment, furnishings, and supplies.		SEE ATTACHED SCHEDULE B28		\$1,321,983.02 ⁽⁴⁾

Subtotal (Total on this page)

\$1,321,983.02

Footnote:
(4) Book value

B6B (Official Form 6B) (12/07) - Cont.

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	H W J C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
29. Machinery, fixtures, equipment, and supplies used in business.		EXTRA PHONE SETS SPARTANBURG, SC		\$2,573.24 ⁽⁵⁾
		FS EQUIPMENT SPARTANBURG, SC		\$2,826.52 ⁽⁶⁾
30. Inventory.	X			\$0.00

Subtotal (Total on this page) **\$5,399.76**

Footnote:

- (5) Book value
(6) Book value

B6B (Official Form 6B) (12/07) - Cont.

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	H W J C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
31. Animals.	X			\$0.00
32. Crops - growing or harvested. Give particulars.	X			\$0.00
33. Farming equipment and implements.	X			\$0.00

Subtotal (Total on this page) \$0.00

B6B (Official Form 6B) (12/07) - Cont.

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	H W J C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY, WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
34. Farm supplies, chemicals, and feed.	X			\$0.00
35. Other personal property of any kind not already listed. Itemize.		SEE ATTACHED SCHEDULE B35		\$1,947,592.09 ⁽⁷⁾
Subtotal (Total on this page)			Total	\$1,947,592.09 \$5,554,048.46

(Include amounts from any continuation
sheets attached. Report total also on
Summary of Schedules.)

Footnote:
(7) Book value

In re: The Merit Group, Inc.
Case No. 11-03216
Schedule B2

Personal Property - Checking, saving or other financial accounts

Bank/Institution	Address	City	State	Zip	Account No.	Description	Balance
BANK OF AMERICA	MAIN ST.	SPARTANBURG	SC	29302	XXXXXXXXX144	THE MERIT GROUP	\$190,492.46
REGIONS BANK	101 EAST WASHINGTON ST.	GREENVILLE	SC	29601	XXXXXXXX4950	THE MERIT GROUP FUNDING ACCOUNT	\$0.00
REGIONS BANK	290 SOUTH PLEASANTBURG DR.	GREENVILLE	SC	29607	XXXXXXXX7772	THE MERIT GROUP FBO REGIONS BANK	\$1,687,124.11
REGIONS BANK	101 EAST WASHINGTON ST.	GREENVILLE	SC	29601	XXXXXXXX5817	THE MERIT GROUP PAYROLL	\$2,294.22
REGIONS BANK	101 EAST WASHINGTON ST.	GREENVILLE	SC	29601	XXXXXXXX7802	THE MERIT GROUP ACH ACCOUNT	\$8,947.53
REGIONS BANK	8100 OKEECHOBEE BLVD.	WEST PALM BEACH	FL	33411	XXXXXXXX4812	THE MERIT GROUP DISBURSEMENT	\$0.00
							TOTAL: \$1,888,858.32

In re: The Merit Group, Inc.
Case No. 11-03216
Schedule B3

Personal Property - Security deposits with public utilities, telephone companies, landlords, and others

Company	Address 1	Address 2	City	State	Country	Zip	Service Provided	Deposit amount	Date
COBALT INDUSTRIAL REIT	P.O. BOX 202235	DEPT. 23603	DALLAS	TX			BUILDING LEASE	\$24,140.00	11/1/1997
DISTRIBUTION 1 PATENT OWNER LLC	P.O. BOX 37098		BALTIMORE	MD			BUILDING LEASE	\$19,750.00	3/17/2008
ELITE DISTRIBUTORS INSURANCE CO.	KENSINGTON MANAGEMENT GROUP LTD	2ND FLOOR, GENESIS BUILDING DR.	ROY'S DR		GRAND CAYMAN	KY-1-1001	INSURANCE	\$30,000.00	5/1/2007
ELITE DISTRIBUTORS INSURANCE CO.	KENSINGTON MANAGEMENT GROUP LTD	2ND FLOOR, GENESIS BUILDING DR.	ROY'S DR		GRAND CAYMAN	KY-1-1001	INSURANCE	\$103,178.00	3/24/2008
ELITE DISTRIBUTORS INSURANCE CO.	KENSINGTON MANAGEMENT GROUP LTD	2ND FLOOR, GENESIS BUILDING DR.	ROY'S DR		GRAND CAYMAN	KY-1-1001	INSURANCE	\$62,768.00	4/30/2009
FIRST NATIONAL CAPITAL CORPORATION	26050 TOWNE CENTRE DRIVE	PROPERTY 1202/10	FOOTHILL RANCH	CA	GRAND CAYMAN	KY-1-1001	INSURANCE	\$15,058.00	4/17/2010
PANTHEON PROPERTIES/1500 RAHWAY, LLC	PO BOX 310300		DES MOINES	IA	FOOTHILL RANCH	CA	LEASED EQUIPMENT	\$25,000.00	8/27/2010
							BUILDING LEASE	\$65,000.00	
								TOTAL: \$244,894.00	1/5/2010

In re: The Merit Group, Inc.
 Case No. 11-03216
 Schedule B9
 Personal Property - Interests in insurance policies

Insurer	Policy Number	Beneficiary	Insured party	Face value	Cash surrender value
CHUBB GROUP OF INSURANCE COMPANIES	82118338	THE MERIT GROUP INC	THE MERIT GROUP INC. & SUBSIDIARIES	LIMIT OF LIABILITY \$2,000,000; AGGREGATE LIMIT \$2,000,000 DEDUCTIBLE \$10,000 (INSURING CLAUSE A NO DEDUCTIBLE)	UNKNOWN
OHIO NATIONAL LIFE INSURANCE CORPORATION	6859173	REGIONS (ASSIGNED)	EMERSON FORT WOLFE JR.	\$1,000,000.00	UNKNOWN
OHIO NATIONAL LIFE INSURANCE CORPORATION	6859172	REGIONS (ASSIGNED)	CALEB C FORT SR	\$1,000,000.00	UNKNOWN
OHIO NATIONAL LIFE INSURANCE CORPORATION	6910224	REGIONS (ASSIGNED)	JAY NORMAN BAKER	\$2,000,000.00	UNKNOWN
THE HARTFORD	36CTPPNY7806	THE MERIT GROUP INC	THE MERIT GROUP INC. & SUBSIDIARIES	HAND AND EDGE TOOLS SHIPPED FROM VIETNAM, CHINA, INDIA TO UNITED STATES OF AMERICA DEDUCTIBLE \$2,500 PER CONVEYANCE; \$300,000 DEFAULT LIMITS(BASED ON PER CONVEYANCE) PER VESSEL, ON DECK BOL: \$30,000 DISASTER \$600,000 PER BARGE \$30,000 PER AIRCRAFT \$300,000 PER MAIL \$5,000; WAREHOUSING: DOMESTIC: \$25,000; FOREIGN: \$25,000; DOMESTIC TRANSIT: \$25,000; SALESMAN SAMPLES: INCLUDED; EXPEDITING EXPENSE: \$50,000; INSTALLATION/EXHIBITION/PROCESSING:\$50,000; WAR RISK & TERRORISM INCLUDED	UNKNOWN
TRANSAMERICAN OCCIDENTAL LIFE INSURANCE COMPANY	42325020	THE MERIT GROUP INC	JOHN DAVID HUGGINS JR	\$500,000.00	UNKNOWN
TRANSAMERICAN OCCIDENTAL LIFE INSURANCE COMPANY	42325016	THE MERIT GROUP INC	MICHAEL H SMITH	\$500,000.00	UNKNOWN
TRANSAMERICAN OCCIDENTAL LIFE INSURANCE COMPANY	42325022	THE MERIT GROUP INC	PATRICK JOHN ROURKE	\$500,000.00	UNKNOWN
TRANSAMERICAN OCCIDENTAL LIFE INSURANCE COMPANY	42325025	THE MERIT GROUP INC	DAVID PAUL BARTHOLOMEW	\$500,000.00	UNKNOWN
TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA	104938038	THE MERIT GROUP INC	THE MERIT GROUP INC. & SUBSIDIARIES	EMPLOYEE DISHONESTY \$500,000 DEDUCTIBLE \$5,000; FORGERY OR ALTERATION \$100,000 DEDUCTIBLE \$5,000; THEFT, DISAPPEARANCE & DESTRUCTION: INSIDE PREMISES \$50,000 DEDUCTIBLE \$5,000 OUTSIDE PREMISES \$50,000 DEDUCTIBLE \$5,000; ERISA \$500,000 DEDUCTIBLE \$0; COMPUTER FRAUD \$100,000 DEDUCTIBLE \$5,000 LIABILITY LIMIT EACH OCCURRENCE \$15,000,000; GENERAL AGGREGATE \$15,000,000; PRODUCTS/COMPLETED OPERATIONS AGGREGATE \$15,000,000; RETAINED LIMIT \$10,000	UNKNOWN
TRAVELERS/ST. PAUL FIRE AND MARINE INSURANCE COMPANY	QK01300869	THE MERIT GROUP INC	THE MERIT GROUP INC. & SUBSIDIARIES	NAMED STATES AL, AR, AZ, CA, CT, FL, GA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MO, NC, NH, NJ, NM, NY, OK, PA, RI, SC, TX, UT, VA; EMPLOYER'S LIABILITY: EACH ACCIDENT \$1,000,000 DISEASE POLICY LIMIT \$1,000,000 DISEASE EACH EMPLOYEE \$1,000,000	UNKNOWN
ZURICH AMERICAN INSURANCE CO.	WC2886254	THE MERIT GROUP INC	THE MERIT GROUP INC. & SUBSIDIARIES		

In re: The Merit Group, Inc.
Case No. 11-03216
Schedule B9

Personal Property - Interests in insurance policies

Insurer	Policy Number	Beneficiary	Insured party	Face value	Cash surrender value
ZURICH AMERICAN INSURANCE CO.	BAP2866252	THE MERIT GROUP INC	THE MERIT GROUP INC. & SUBSIDIARIES	LIABILITY CSL \$1,000,000 ANY AUTO PIP PER PERSON LIMIT INCLUDED MEDICAL PAYMENTS EA PER \$5,000 ALL OWNED AUTOS; UNINSURED MOTORISTS - STATUTORY ALL OWNED AUTOS; UNINSURED MOTORISTS - STATUTORY ALL OWNED AUTOS; Hired CAR PHYSICAL DAMAGE LIMIT \$50,000 Hired CAR COMPREHENSIVE DEDUCTIBLE \$250 Hired CAR COLLISION DEDUCTIBLE \$500; COMPREHENSIVE PER EDIC TEMPLATE ALL OWNED AUTOS; COLLISION PER EDIC TEMPLATE ALL OWNED AUTOS	UNKNOWN
ZURICH AMERICAN INSURANCE CO.	GLO2866253	THE MERIT GROUP INC	THE MERIT GROUP INC. & SUBSIDIARIES	GENERAL AGGREGATE \$2,000,000; PRODUCTS/COMPLETED OPERATIONS AGGREGATE \$2,000,000; PERSONAL & ADVERTISING INJURY \$1,000,000; EACH OCCURRENCE \$1,000,000; DAMAGE TO RENTED PREMISES \$500,000; MEDICAL EXPENSE (ANY ONE PERSON) \$10,000; EMPLOYEE BENEFIT LIABILITY \$1,000,000 EACH EMPLOYEE (OCCURRENCE FORM); ANNUAL AGGREGATE \$2,000,000; WELDING HEALTH HAZARD EXCLUSION	UNKNOWN
ZURICH AMERICAN INSURANCE CO.	CPP4612876	THE MERIT GROUP INC	THE MERIT GROUP INC. & SUBSIDIARIES	\$63,105,00 BLANKET BUILDINGS, CONTENTS, EDP, COINSURANCE 100%; VALUATION REPLACEMENT COST; DEDUCTIBLE \$5,000; BLANKET BUSINESS INCOME WITH EXTRA EXPENSE \$14,110,000 WITH DEDUCTIBLE OF 24 HOURS.	UNKNOWN
TOTAL:					UNKNOWN

In re: The Merit Group, Inc.
Case No. 11-03216

Schedule B13

Personal Property - Stock and interests in incorporated and unincorporated businesses

Business Name	Address 1	City	State	Zip	Ownership % or # of shares	Book value of investment
FIVE STAR PRODUCTS, INC.	1310 UNION ST.	SPARTANBURG	SC	29302	100%	UNKNOWN
MERIT PAINT SUNDRIES, LLC	1310 UNION ST.	SPARTANBURG	SC	29302	100%	UNKNOWN
MERIT PRO FINISHING TOOLS, LLC	1310 UNION ST.	SPARTANBURG	SC	29302	100%	UNKNOWN
MERT SUPPLY COMPANY, LLC	1310 UNION ST.	SPARTANBURG	SC	29302	100%	UNKNOWN
MERT TRANSPORTATION, INC.	1310 UNION ST.	SPARTANBURG	SC	29302	100%	UNKNOWN
					TOTAL:	UNKNOWN

In re: The Merit Group, Inc.

Case No. 11-03216

Schedule B23

Personal Property - Licenses, franchises, and other general intangibles

In re: The Merit Group, Inc.

Case No. 11-03216

Schedule B23

Personal Property - Licenses, franchises, and other general intangibles

License/Franchise name	Location	Cost basis	Book value
ECLIPSE USER LICENSE/ UNIVERSE USER LICENSE	SPARTANBURG, SC	\$1,464.75	\$0.00
ECLIPSE USER LICENSE/ UNIVERSE USER LICENSE	SPARTANBURG, SC	\$1,464.75	\$0.00
ECLIPSE USER LICENSE/ UNIVERSE USER LICENSE	SPARTANBURG, SC	\$1,464.75	\$0.00
ECLIPSE USER LICENSE/ UNIVERSE USER LICENSE	SPARTANBURG, SC	\$1,464.75	\$0.00
ECLIPSE USER LICENSE/ UNIVERSE USER LICENSE	SPARTANBURG, SC	\$1,464.75	\$0.00
ECLIPSE/ UNIVERSE USER LICENSE	SPARTANBURG, SC	\$7,323.75	\$0.00
LICENSED SOFTWARE	SPARTANBURG, SC	\$10,015.00	\$0.00
		TOTAL: \$141,141.00	\$0.00

In re: The Merit Group, Inc.
Case No. 11-03216
Schedule B28
Personal Property - Office equipment, furnishings, and supplies

	Description	Location	Cost basis	Book value
100- ABRA SUITE IMPLEMENTATION		SPARTANBURG, SC	\$1,897.50	\$0.00
100-ABRA SUITE IMPLEMENTATION- HR CONFIG.		SPARTANBURG, SC	\$4,510.90	\$0.00
15 IN- HAND SCAN CARD- DELL		SPARTANBURG, SC	\$2,992.50	\$0.00
15 PALM ONE TUNGSTEN/ SCAN CARD		SPARTANBURG, SC	\$5,687.79	\$0.00
2 DELL COMPUTERS		SPARTANBURG, SC	\$3,602.55	\$0.00
2 LATERAL FILE CABINETS		SPARTANBURG, SC	\$949.50	\$0.00
2 WAY POWER5 PROCESSOR CARD- UPGRADE ECLIPSE SERVER		SPARTANBURG, SC	\$34,317.50	\$25,166.17
3COM ETHERLINK & TARGUS DEFCON ANTI-THEFT DEVICE		SPARTANBURG, SC	\$821.54	\$0.00
401K INTERFACE		SPARTANBURG, SC	\$4,593.75	\$0.00
4490 4096MB DDR1 DIMM MEMORY 18.2GB/15K DISK DRIVE		SPARTANBURG, SC	\$3,109.35	\$0.00
612MB MEMORY FOR COMPUTER		SPARTANBURG, SC	\$7,025.30	\$0.00
60- LOST SALES REPORT MODIFICATION		SPARTANBURG, SC	\$10,500.00	\$0.00
8 PORT PS2 USB PRO3 KVM SWITCH, BELKIN OMNIVIEW ENTERPRISE SERIES DUAL PORT		SPARTANBURG, SC	\$501.82	\$393.10
ABRA PAYROLL SOFTWARE		SPARTANBURG, SC	\$12,885.00	\$0.00
ABRA SOFTWARE		SPARTANBURG, SC	\$1,840.00	\$0.00
ABRA SOFTWARE		SPARTANBURG, SC	\$4,945.50	\$0.00
ACCELEPORT RAS UPCI 8-MODEM		SPARTANBURG, SC	\$1,577.32	\$1,235.57
ACCTG COPIER		SPARTANBURG, SC	\$15,356.28	\$0.00
ACTIVANT CUSTOM MODIFICATION		SPARTANBURG, SC	\$7,123.20	\$2,374.41
A12- POW PROFESSIONAL SERVICE RETAINER-SOFTWARE		SPARTANBURG, SC	\$7,800.00	\$6,066.67
ALARM & BUILDING ACCESS SYSTEM		SPARTANBURG, SC	\$3,804.50	\$0.00
AP SCANNER		SPARTANBURG, SC	\$972.82	\$0.00
AP SCANNER		SPARTANBURG, SC	\$972.82	\$0.00
ARTIC MASTER		SPARTANBURG, SC	\$8,532.00	\$568.80
AT-NET SERVICE		SPARTANBURG, SC	\$11,525.00	\$9,412.09
AT-NET SERVICE		SPARTANBURG, SC	\$3,600.00	\$2,940.00
AUTO SENSING HUB		SPARTANBURG, SC	\$1,004.30	\$0.00
B2B COMMERCE		SPARTANBURG, SC	\$2,500.00	\$0.00
BACKUP TAPES		SPARTANBURG, SC	\$1,120.00	\$0.00
BASE NOTEBOOK		SPARTANBURG, SC	\$1,204.14	\$361.23
BASE NOTEBOOK		SPARTANBURG, SC	\$1,214.74	\$364.42
BASE NOTEBOOK		SPARTANBURG, SC	\$1,702.34	\$453.95
BASE NOTEBOOK		SPARTANBURG, SC	\$1,585.74	\$449.28
BASE NOTEBOOK		SPARTANBURG, SC	\$1,575.14	\$446.28
BATTERY BACKUP		SPARTANBURG, SC	\$2,260.23	\$0.00
BUDGET MAESTRO DESKTOP SUITE		SPARTANBURG, SC	\$2,229.00	\$0.00
CABINETS- CONFERENCE ROOM		SPARTANBURG, SC	\$1,018.00	\$72.71
CALL ACCT SOFTWARE		SPARTANBURG, SC	\$4,920.30	\$0.00
CARPORT 20'6" X 22' X 7'		SPARTANBURG, SC	\$1,569.75	\$0.00
CATALOG BUILDER SOFTWARE		SPARTANBURG, SC	\$25,639.00	\$3,560.99
CD RE-WRITEABLE DRIVE		SPARTANBURG, SC	\$339.27	\$0.00
CELERON NOTEBOOK		SPARTANBURG, SC	\$1,431.13	\$0.00
CISCO 1711 VPN ROUTER		SPARTANBURG, SC	\$1,690.33	\$0.00
CISCO 3005 VPN CONCENTRATOR		SPARTANBURG, SC	\$3,314.17	\$0.00
CISCO ROUTER WIC CARD/ PORT		SPARTANBURG, SC	\$2,546.25	\$0.00
CISCO ROUTER/ WIC CARD/ CABLE		SPARTANBURG, SC	\$1,510.59	\$0.00
CISCO VPN ROUTER AND WIC CARD		SPARTANBURG, SC	\$3,068.77	\$0.00
COLOR SCANNER		SPARTANBURG, SC	\$851.03	\$0.00
COMPSEE WEDGE READER		SPARTANBURG, SC	\$1,002.85	\$0.00
COMPUTER		SPARTANBURG, SC	\$1,332.32	\$0.00
COMPUTER BACKUP DEVICE NAS SERVER		SPARTANBURG, SC	\$1,263.89	\$863.65
COMPUTER EQUIPMENT		SPARTANBURG, SC	\$752.61	\$0.00
COMPUTER FOR BARCODING		SPARTANBURG, SC	\$3,986.00	\$1,062.94
COMPUTER UPGRADE UNIV & ECL (3)		SPARTANBURG, SC	\$835.00	\$0.00
CONFERENCE ROOM CHAIRS		SPARTANBURG, SC	\$1,314.00	\$0.00
COPIER		SPARTANBURG, SC	\$2,765.00	\$0.00
COPIER		SPARTANBURG, SC	\$2,765.00	\$0.00
COPIER		SPARTANBURG, SC	\$2,771.58	\$0.00
COPIER 2035ESP		SPARTANBURG, SC	\$9,938.25	\$0.00
CREATIVE SUITE PREMIUM CS2		SPARTANBURG, SC	\$1,019.00	\$0.00
CUBICLES & OFFICE FURNITURE & FIXTURES		SPARTANBURG, SC	\$109,953.46	\$0.00
CUSTOM MODIFICATION		SPARTANBURG, SC	\$4,788.00	\$0.00
CUSTOM MODIFICATION		SPARTANBURG, SC	\$3,192.00	\$0.00

In re: The Merit Group, Inc.
Case No. 11-03216
Schedule B28

In re: The Merit Group, Inc.
Case No. 11-03216
Schedule B28
Personal Property - Office equipment, furnishings, and supplies

Description	Location	Cost basis	Book value
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,347.13	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,315.63	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,230.58	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,158.13	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,314.58	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,587.58	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,921.48	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,665.28	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,226.38	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,315.63	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,435.33	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,466.83	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,472.08	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,534.03	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,371.28	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,540.34	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,319.83	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,249.50	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,340.83	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,480.48	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,441.53	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,535.08	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,288.33	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,566.59	\$0.00
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,604.38	\$26.71
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,456.35	\$72.82
DELL INSPIRON 700M	SPARTANBURG, SC	\$1,351.33	\$67.55
DELL INSPIRON 710M	SPARTANBURG, SC	\$1,661.08	\$0.00
DELL INSPIRON 710M	SPARTANBURG, SC	\$1,921.48	\$0.00
DELL INSPIRON 710M	SPARTANBURG, SC	\$1,928.83	\$0.00
DELL INSPIRON 710M	SPARTANBURG, SC	\$1,362.88	\$22.71
DELL INSPIRON 710M	SPARTANBURG, SC	\$1,404.88	\$23.41
DELL INSPIRON 7500 NOTEBOOK	SPARTANBURG, SC	\$3,135.30	\$0.00
DELL INSPIRON 7500 NOTEBOOK	SPARTANBURG, SC	\$3,135.30	\$0.00
DELL INSPIRON 7500 NOTEBOOK	SPARTANBURG, SC	\$3,135.30	\$0.00
DELL INSPIRON 8000	SPARTANBURG, SC	\$1,949.85	\$0.00
DELL INSPIRON E1405	SPARTANBURG, SC	\$1,362.88	\$181.70
DELL INSPIRON E1405	SPARTANBURG, SC	\$1,163.38	\$155.10
DELL INSPIRON E1405	SPARTANBURG, SC	\$1,289.38	\$171.90
DELL INSPIRON E1405	SPARTANBURG, SC	\$1,205.38	\$160.70
DELL INSPIRON E1405	SPARTANBURG, SC	\$1,562.38	\$208.30
DELL INSPIRON E1405/ 640M.	SPARTANBURG, SC	\$1,424.83	\$71.23
DELL INSPIRON LAPTOP	SPARTANBURG, SC	\$1,241.10	\$0.00
DELL INSPIRON NOTEBOOK	SPARTANBURG, SC	\$1,263.67	\$0.00
DELL INSPIRON NOTEBOOK	SPARTANBURG, SC	\$1,263.66	\$0.00
DELL INSPIRON NOTEBOOK	SPARTANBURG, SC	\$1,345.04	\$0.00
DELL INSPIRON NOTEBOOK	SPARTANBURG, SC	\$1,241.10	\$0.00
DELL INSPIRON NOTEBOOK	SPARTANBURG, SC	\$1,241.10	\$0.00
DELL INSPIRON XPS M1210	SPARTANBURG, SC	\$1,751.38	\$145.92
DELL INTEL LAPTOP	SPARTANBURG, SC	\$2,243.22	\$0.00
DELL IT SWITCH	SPARTANBURG, SC	\$1,186.49	\$751.44
DELL IT SWITCH	SPARTANBURG, SC	\$1,186.49	\$751.44
DELL IT SWITCH	SPARTANBURG, SC	\$1,186.50	\$751.45
DELL LAPTOP	SPARTANBURG, SC	\$1,835.39	\$0.00
DELL LAPTOP	SPARTANBURG, SC	\$1,901.54	\$0.00
DELL LAPTOP	SPARTANBURG, SC	\$1,751.49	\$0.00
DELL LASER PRINTER 1720DN	SPARTANBURG, SC	\$201.18	\$50.28
DELL LASER PRINTER 1720DN	SPARTANBURG, SC	\$201.18	\$50.28
DELL LASER PRINTER 1720DN	SPARTANBURG, SC	\$201.18	\$50.28
DELL LASER PRINTER 1720DN	SPARTANBURG, SC	\$201.19	\$50.29
DELL LASER PRINTER 1720DN	SPARTANBURG, SC	\$201.19	\$50.29
DELL LASER PRINTER 1720DN	SPARTANBURG, SC	\$201.19	\$50.29
DELL LASER PRINTER 1720DN	SPARTANBURG, SC	\$201.19	\$50.29

**In re: The Merit Group, Inc.
Case No. 11-03216
Schedule B28**

In re: The Merit Group, Inc.
Case No. 11-03216
Schedule B28
Personal Property - Office equipment, furnishings, and supplies

Description	Location	Cost basis	Book value
DELL LATITUDE E5410	SPARTANBURG, SC	\$1,518.60	\$1,341.43
DELL LATITUDE E5410	SPARTANBURG, SC	\$1,518.60	\$1,341.43
DELL LATITUDE E5410	SPARTANBURG, SC	\$1,547.61	\$1,341.27
DELL LATITUDE E5410	SPARTANBURG, SC	\$1,547.61	\$1,341.27
DELL LATITUDE E5410	SPARTANBURG, SC	\$1,630.76	\$1,440.50
DELL LATITUDE E6400	SPARTANBURG, SC	\$1,874.10	\$1,280.63
DELL LATITUDE E6410	SPARTANBURG, SC	\$2,362.31	\$2,204.83
DELL LATITUDE E6410	SPARTANBURG, SC	\$2,040.75	\$1,836.67
DELL LATITUDE 2110	SPARTANBURG, SC	\$946.79	\$852.11
DELL LATITUDE 2110	SPARTANBURG, SC	\$946.79	\$852.11
DELL LATITUDE 2110	SPARTANBURG, SC	\$946.79	\$852.11
DELL LATITUDE 2110	SPARTANBURG, SC	\$946.79	\$852.11
DELL LATITUDE E4310	SPARTANBURG, SC	\$1,943.77	\$1,587.42
DELL LATITUDE E5410	SPARTANBURG, SC	\$1,557.85	\$1,376.11
DELL LATITUDE E5410	SPARTANBURG, SC	\$1,518.60	\$1,341.43
DELL LATITUDE E5410	SPARTANBURG, SC	\$1,518.60	\$1,341.43
DELL LATITUDE E5410	SPARTANBURG, SC	\$1,518.59	\$1,341.41
DELL LATITUDE E5410	SPARTANBURG, SC	\$1,518.59	\$1,341.41
DELL LATITUDE E5410	SPARTANBURG, SC	\$1,560.34	\$1,404.31
DELL LATITUDE E5410	SPARTANBURG, SC	\$1,560.34	\$1,404.31
DELL LATITUDE E5410	SPARTANBURG, SC	\$1,560.34	\$1,404.31
DELL LATITUDE E5410	SPARTANBURG, SC	\$1,560.35	\$1,404.32
DELL LATITUDE E5410	SPARTANBURG, SC	\$1,560.35	\$1,404.32
DELL LATITUDE E54100	SPARTANBURG, SC	\$1,674.71	\$1,451.42
DELL LATITUDE E54100	SPARTANBURG, SC	\$1,674.71	\$1,451.42
DELL LATITUDE E5500	SPARTANBURG, SC	\$1,762.25	\$1,439.17
DELL LATITUDE E6410	SPARTANBURG, SC	\$1,601.13	\$1,307.59
DELL LATITUDE E6410	SPARTANBURG, SC	\$1,601.13	\$1,307.59
DELL LATITUDE E6410	SPARTANBURG, SC	\$1,601.12	\$1,307.58
DELL LATITUDE E6410	SPARTANBURG, SC	\$2,134.85	\$1,921.37
DELL LATITUDE E6410	SPARTANBURG, SC	\$1,981.61	\$1,816.47
DELL MEROM T7250	SPARTANBURG, SC	\$1,161.73	\$619.58
DELL MEROM T7250	SPARTANBURG, SC	\$1,161.73	\$619.58
DELL MICRO- MINI TOWER	SPARTANBURG, SC	\$1,330.34	\$0.00
DELL NOTEBOOK	SPARTANBURG, SC	\$2,090.54	\$0.00
DELL NOTEBOOK	SPARTANBURG, SC	\$2,552.53	\$0.00
DELL OPTIPLEX 210L	SPARTANBURG, SC	\$789.59	\$13.14
DELL OPTIPLEX 3301	SPARTANBURG, SC	\$857.54	\$457.35
DELL OPTIPLEX 380 MINITOWER BASE STD	SPARTANBURG, SC	\$995.41	\$779.74
DELL OPTIPLEX 380 MINITOWER BASE STD	SPARTANBURG, SC	\$995.41	\$779.74
DELL OPTIPLEX 380 MINITOWER BASE STD	SPARTANBURG, SC	\$995.41	\$779.74
DELL OPTIPLEX 380 MINITOWER BASE STD	SPARTANBURG, SC	\$995.40	\$779.73
DELL OPTIPLEX 380 MINITOWER BASE STD	SPARTANBURG, SC	\$995.40	\$779.73
DELL OPTIPLEX 740	SPARTANBURG, SC	\$1,189.44	\$376.66
DELL OPTIPLEX 740	SPARTANBURG, SC	\$1,189.44	\$376.66
DELL OPTIPLEX 740	SPARTANBURG, SC	\$1,189.44	\$376.66
DELL OPTIPLEX 740	SPARTANBURG, SC	\$1,189.44	\$376.66
DELL OPTIPLEX 740	SPARTANBURG, SC	\$1,109.28	\$351.26
DELL OPTIPLEX 740	SPARTANBURG, SC	\$1,109.28	\$351.26
DELL OPTIPLEX 740	SPARTANBURG, SC	\$1,109.28	\$351.26
DELL OPTIPLEX 740	SPARTANBURG, SC	\$1,109.29	\$351.27
DELL OPTIPLEX 755 PENTIUM DUAL	SPARTANBURG, SC	\$1,207.81	\$543.52
DELL OPTIPLEX 755 PENTIUM DUAL	SPARTANBURG, SC	\$1,207.81	\$543.52
DELL OPTIPLEX 755 PENTIUM DUAL	SPARTANBURG, SC	\$1,207.80	\$543.51
DELL OPTIPLEX 780	SPARTANBURG, SC	\$1,122.88	\$898.30
DELL OPTIPLEX 780	SPARTANBURG, SC	\$1,122.88	\$898.30
DELL OPTIPLEX 780	SPARTANBURG, SC	\$1,122.88	\$898.30
DELL OPTIPLEX 780	SPARTANBURG, SC	\$1,122.88	\$898.30
DELL OPTIPLEX 780	SPARTANBURG, SC	\$1,122.88	\$898.30
DELL OPTIPLEX 780	SPARTANBURG, SC	\$1,122.87	\$898.30
DELL OPTIPLEX 780	SPARTANBURG, SC	\$1,257.60	\$1,110.87
DELL OPTIPLEX 780	SPARTANBURG, SC	\$1,257.60	\$1,110.87

In re: The Merit Group, Inc.
Case No. 11-03216
Schedule B28
Personal Property - Office equipment, furnishings, and supplies

	Description	Location	Cost basis	Book value
DELL OPTIPLEX 780		SPARTANBURG, SC	\$1,257.59	\$1,110.86
DELL OPTIPLEX 960 DESKTOP BASE STD		SPARTANBURG, SC	\$1,244.02	\$974.49
DELL OPTIPLEX 960 DESKTOP BASE STD		SPARTANBURG, SC	\$1,244.01	\$974.48
DELL OPTIPLEX 980 MINITOWER BASE		SPARTANBURG, SC	\$1,556.98	\$1,219.63
DELL OPTIPLEX GX240		SPARTANBURG, SC	\$1,098.25	\$0.00
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL OPTIPLEX GX620		SPARTANBURG, SC	\$649.94	\$32.49
DELL PC		SPARTANBURG, SC	\$1,399.10	\$0.00
DELL POWER EDGE SERVER 2900		SPARTANBURG, SC	\$4,082.38	\$1,506.57
DELL POWEREDGE 6800		SPARTANBURG, SC	\$12,652.50	\$1,897.87
DELL POWEREDGE 6800		SPARTANBURG, SC	\$12,652.50	\$1,897.87
DELL POWEREDGE SERVER		SPARTANBURG, SC	\$6,860.68	\$0.00
DELL POWEREDGER710 WITH CHASSIS NETWORK VIRTUAL SERVER		SPARTANBURG, SC	\$5,848.75	\$4,386.57
DELL POWEREDGER710 WITH CHASSIS NETWORK VIRTUAL SERVER		SPARTANBURG, SC	\$5,848.74	\$4,386.56
DELL PRECISION M6400		SPARTANBURG, SC	\$3,518.14	\$2,345.43
DELL PRECISION T3400		SPARTANBURG, SC	\$2,046.86	\$1,091.67
DELL PRECISION T3500		SPARTANBURG, SC	\$1,839.69	\$1,257.12
DELL QUAD XEON E5430		SPARTANBURG, SC	\$3,554.84	\$2,251.40
DELL QUAD XEON E5430		SPARTANBURG, SC	\$3,554.84	\$2,251.40
DELL SMARTUPS 3000VA XLT		SPARTANBURG, SC	\$2,539.76	\$1,199.33
DELL XPS M1210		SPARTANBURG, SC	\$1,362.89	\$136.28
DELL XPS M1210		SPARTANBURG, SC	\$1,320.89	\$132.08
DELL XPS M1210		SPARTANBURG, SC	\$1,593.88	\$212.50
DELL XPS-M1210		SPARTANBURG, SC	\$2,276.38	\$151.73
DIGITAL CHECK SCANNER		SPARTANBURG, SC	\$1,432.65	\$0.00
DISKEEPER 2008 PRO 250-499U AND DISKEEPER 2008 PRO 1Y MNT 250-499U		SPARTANBURG, SC	\$4,291.94	\$1,573.71
DISKEEPER 2008 SVR-25-49U VLA/ DISKEEPER 2008 SRV 1Y MNT 25-49		SPARTANBURG, SC	\$2,446.48	\$897.03
DS4000 EXP810 EXPANSION UNIT		SPARTANBURG, SC	\$9,469.40	\$7,417.70
ECL202 CUSTOM MODIFICATION- PPG PROJECT		SPARTANBURG, SC	\$8,904.00	\$4,204.67
ECLIPSE CISCO 1841 VPN ROUTER		SPARTANBURG, SC	\$2,542.34	\$0.00
ECLIPSE COMPUTER SYSTEM W/PRINTER & SOFTWARE		SPARTANBURG, SC	\$112,074.19	\$0.00
ECLIPSE COMPUTERS, INSTALLATION AND LICENSES		SPARTANBURG, SC	\$19,990.98	\$0.00
ECLIPSE CUSTOM PROGRAMMING		SPARTANBURG, SC	\$3,300.00	\$0.00
ECLIPSE CUSTOMIZATION		SPARTANBURG, SC	\$13,200.00	\$0.00
ECLIPSE DOCUMENT IMAGING		SPARTANBURG, SC	\$20,000.00	\$0.00
ECLIPSE INTERNET SERVER		SPARTANBURG, SC	\$2,875.92	\$0.00
ECLIPSE MOBILE ADVANCE SITE LICENSE		SPARTANBURG, SC	\$9,540.00	\$1,060.00
ECLIPSE RELEASE 7.0		SPARTANBURG, SC	\$3,500.00	\$0.00
ECLIPSE SALES FORCE AUTOMATION		SPARTANBURG, SC	\$7,500.00	\$0.00
ECLIPSE WEB INTEGRATION		SPARTANBURG, SC	\$2,100.00	\$0.00
EMAIL SERVER LICENCE UPGRADE		SPARTANBURG, SC	\$3,106.98	\$2,675.44
ESET NOD32 ANTIVIR US 4 BUS		SPARTANBURG, SC	\$3,751.55	\$2,813.65
EXEC CHAIR LEATHER		SPARTANBURG, SC	\$992.25	\$0.00
EXECUTIVE CHAIR		SPARTANBURG, SC	\$614.25	\$0.00
EXECUTIVE SWIVEL CHAIR		SPARTANBURG, SC	\$729.75	\$0.00
EXPANSION UNIT HARDWARE		SPARTANBURG, SC	\$57,115.98	\$1,586.55
EXTERNAL TAPE DRIVE		SPARTANBURG, SC	\$5,200.00	\$0.00
EZ TRAPS W/ FLOAT SWITCHES		SPARTANBURG, SC	\$4,525.00	\$0.00
FAX COMPUTER SERVER		SPARTANBURG, SC	\$7,976.26	\$0.00
FILE CABINETS		SPARTANBURG, SC	\$8,930.25	\$0.00
FILE CABINETS		SPARTANBURG, SC	\$1,008.00	\$0.00
FILE CABINETS		SPARTANBURG, SC	\$1,800.00	\$0.00

In re: The Merit Group, Inc.
Case No. 11-03216
Schedule B28
Personal Property - Office equipment, furnishings, and supplies

Description	Location	Cost basis	Book value
FILE CABINETS	SPARTANBURG, SC	\$600.00	\$0.00
FIVE STAR FURN (SOFTWARE)	SPARTANBURG, SC	\$835,212.87	\$779,532.02
FURN & FIX- INSIGHT	SPARTANBURG, SC	\$2,869.42	\$2,486.83
FURN & FIX- SCANONLINE	SPARTANBURG, SC	\$1,210.00	\$1,008.34
FURN & FIXTURE	SPARTANBURG, SC	\$1,029.48	\$188.73
FURN & FIXTURE SCANOLINE	SPARTANBURG, SC	\$50,877.40	\$41,549.88
FURN FIX	SPARTANBURG, SC	\$48,080.13	\$39,105.00
GENERATOR	SPARTANBURG, SC	\$34,806.50	\$0.00
HARDWARE MAINTENANCE SUPPORT DS 4000 EXP 810 EXPANSION AND DS 4700 EXPRESS MODEL	SPARTANBURG, SC	\$7,731.36	\$644.28
HOTSWAP REPORTING SERVER	SPARTANBURG, SC	\$20,000.00	\$0.00
HP LASER JET 2100SE	SPARTANBURG, SC	\$766.48	\$0.00
HP LASER JET 6	SPARTANBURG, SC	\$734.99	\$0.00
HP LASER JET 6 PRINTER	SPARTANBURG, SC	\$839.99	\$0.00
HP LASER JET PRINTER	SPARTANBURG, SC	\$1,783.95	\$0.00
HP LASER JET PRINTER	SPARTANBURG, SC	\$839.99	\$0.00
HP LASER PRINTER	SPARTANBURG, SC	\$808.49	\$0.00
HP LASER PRINTER	SPARTANBURG, SC	\$1,347.99	\$0.00
HP LASERJET 2100 PRINTER	SPARTANBURG, SC	\$1,025.80	\$0.00
HP LASERJET 8000N	SPARTANBURG, SC	\$2,937.90	\$0.00
HP LASERJET PRINTER 4250N	SPARTANBURG, SC	\$794.00	\$0.00
HP LASREJET P3005N Q7814A 35 PPM LASER MONOCHROME PRINTER	SPARTANBURG, SC	\$719.98	\$311.98
HP LASREJET P3005N Q7814A 35 PPM LASER MONOCHROME PRINTER	SPARTANBURG, SC	\$719.98	\$311.98
HP LASREJET P3005N Q7814A 35 PPM LASER MONOCHROME PRINTER	SPARTANBURG, SC	\$719.98	\$311.98
HP LJ 4050N	SPARTANBURG, SC	\$1,475.00	\$0.00
HP LJ 4050N	SPARTANBURG, SC	\$1,475.00	\$0.00
HP LJ 4050N	SPARTANBURG, SC	\$1,475.00	\$0.00
HP LJ 4050N	SPARTANBURG, SC	\$1,498.58	\$0.00
HP LJ 8100DN	SPARTANBURG, SC	\$3,279.00	\$0.00
HP OFFICE JET PRINTER	SPARTANBURG, SC	\$419.99	\$0.00
HP PRINTER	SPARTANBURG, SC	\$855.99	\$0.00
HR/PAYROLL CONFIGURATION IMPLEM	SPARTANBURG, SC	\$10,708.09	\$637.37
ICE MACHINE	SPARTANBURG, SC	\$1,443.75	\$0.00
ICE MAKER	SPARTANBURG, SC	\$2,427.40	\$2,103.75
INSPIRON	SPARTANBURG, SC	\$1,296.54	\$0.00
INSPIRON 5100	SPARTANBURG, SC	\$2,281.64	\$0.00
INSPIRON LAPTOP	SPARTANBURG, SC	\$1,608.37	\$0.00
INSPIRON LAPTOP	SPARTANBURG, SC	\$1,608.37	\$0.00
INSPIRON NOTEBOOK	SPARTANBURG, SC	\$1,430.09	\$0.00
INSPIRON NOTEBOOK	SPARTANBURG, SC	\$1,540.34	\$0.00
INSPIRON NOTEBOOK	SPARTANBURG, SC	\$1,292.54	\$0.00
INSPIRON NOTEBOOK	SPARTANBURG, SC	\$1,250.54	\$0.00
INSPIRON NOTEBOOK	SPARTANBURG, SC	\$1,339.79	\$0.00
INSPIRON NOTEBOOK	SPARTANBURG, SC	\$2,258.55	\$0.00
INSPIRON NOTEBOOK 700M	SPARTANBURG, SC	\$1,424.84	\$0.00
INSPIRON PENTIUM	SPARTANBURG, SC	\$2,152.88	\$0.00
INTEL PENTIUM	SPARTANBURG, SC	\$904.37	\$0.00
INTEL PENTIUM 2350 SERIES	SPARTANBURG, SC	\$952.34	\$0.00
JIM'S CONFERENCE TABLE	SPARTANBURG, SC	\$500.00	\$0.00
KEWILL PROJECT	SPARTANBURG, SC	\$19,000.00	\$15,833.34
KEWILL PROJECT	SPARTANBURG, SC	\$2,925.00	\$2,730.00
KEWILL PROJECT	SPARTANBURG, SC	\$1,575.00	\$1,470.00
KEWILL PROJECT	SPARTANBURG, SC	\$1,350.00	\$1,260.00
KEWILL PROJECT	SPARTANBURG, SC	\$843.75	\$787.50
KEWILL PROJECT	SPARTANBURG, SC	\$225.00	\$210.00
KEWILL PROJECT	SPARTANBURG, SC	\$5,175.00	\$4,830.00
KEWILL PROJECT	SPARTANBURG, SC	\$1,800.00	\$1,680.00
KEWILL PROJECT	SPARTANBURG, SC	\$8,618.00	\$8,043.47
KEWILL PROJECT	SPARTANBURG, SC	\$1,400.00	\$1,306.67
LASER PRINTER	SPARTANBURG, SC	\$1,014.49	\$0.00
LASERJET 2300N	SPARTANBURG, SC	\$799.00	\$0.00
LATITUDE D630	SPARTANBURG, SC	\$3,185.92	\$955.78
LATITUDE D630	SPARTANBURG, SC	\$1,666.32	\$499.92
LATITUDE D630	SPARTANBURG, SC	\$1,666.32	\$499.92

**In re: The Merit Group, Inc.
Case No. 11-03216
Schedule B28
Personal Property - Office equipment, furnishings, and supplies**

In re: The Merit Group, Inc.
Case No. 11-03216
Schedule B28
Personal Property - Office equipment, furnishings, and supplies

Description	Location	Cost basis	Book value
MOTOROLLA RF GUNS	SPARTANBURG, SC	\$2,131.82	\$1,634.40
MOTOROLLA RF GUNS	SPARTANBURG, SC	\$2,131.82	\$1,634.40
MOTOROLLA RF GUNS	SPARTANBURG, SC	\$2,131.82	\$1,634.40
MOTOROLLA RF GUNS	SPARTANBURG, SC	\$2,131.82	\$1,634.40
MOTOROLLA RF GUNS	SPARTANBURG, SC	\$2,131.81	\$1,634.39
MOTOROLLA RF GUNS	SPARTANBURG, SC	\$2,131.81	\$1,634.39
MOTOROLLA RF GUNS	SPARTANBURG, SC	\$2,131.81	\$1,634.39
MOTOROLLA RF GUNS	SPARTANBURG, SC	\$2,131.81	\$1,634.39
MULTISYNC ULTRA PORTABLE PROJECTOR	SPARTANBURG, SC	\$3,186.22	\$0.00
NETSHELTER SX 42U 600MM WIDE X 1200MM DEEP PHONE UPGRADE	SPARTANBURG, SC	\$2,241.05	\$1,840.87
NETWORK UPGRADE	SPARTANBURG, SC	\$11,525.00	\$7,363.20
NICK'S OFFICE	SPARTANBURG, SC	\$1,475.00	\$0.00
NORTON RENEWAL	SPARTANBURG, SC	\$1,582.68	\$0.00
NOTEBOOK INSPIRON	SPARTANBURG, SC	\$2,074.79	\$0.00
OFFICE 2003 UPGRADE	SPARTANBURG, SC	\$5,662.80	\$0.00
OFFICE CHAIR	SPARTANBURG, SC	\$472.50	\$0.00
OMR MARK	SPARTANBURG, SC	\$2,268.00	\$0.00
OPTIPLEX 330	SPARTANBURG, SC	\$1,214.76	\$0.00
OPTIPLEX 330	SPARTANBURG, SC	\$1,214.76	\$0.00
OPTIPLEX 330	SPARTANBURG, SC	\$1,214.76	\$0.00
OPTIPLEX 330	SPARTANBURG, SC	\$1,098.16	\$420.97
OPTIPLEX 330	SPARTANBURG, SC	\$1,098.15	\$420.96
OUTLOOK INTEGRATION	SPARTANBURG, SC	\$6,000.00	\$0.00
PAGEMAKER 7.0	SPARTANBURG, SC	\$4,337.55	\$0.00
PALM LUNGSTEN MP3	SPARTANBURG, SC	\$162.34	\$0.00
PALM LUNGSTEN MP3	SPARTANBURG, SC	\$162.33	\$0.00
PALM LUNGSTEN MP3	SPARTANBURG, SC	\$162.33	\$0.00
PALM LUNGSTEN MP3	SPARTANBURG, SC	\$162.33	\$0.00
PALM LUNGSTEN MP3	SPARTANBURG, SC	\$162.33	\$0.00
PALM LUNGSTEN MP3	SPARTANBURG, SC	\$162.33	\$0.00
PALM LUNGSTEN MP3	SPARTANBURG, SC	\$162.33	\$0.00
PALM LUNGSTEN MP3	SPARTANBURG, SC	\$162.33	\$0.00
PALM LUNGSTEN MP3	SPARTANBURG, SC	\$162.33	\$0.00
PALM LUNGSTEN MP3	SPARTANBURG, SC	\$162.33	\$0.00
PALM LUNGSTEN MP3	SPARTANBURG, SC	\$162.33	\$0.00
PALM LUNGSTEN MP3	SPARTANBURG, SC	\$162.33	\$0.00
PALM TUNGSTEN W/ SDIO SCAN CARD	SPARTANBURG, SC	\$7,707.00	\$0.00
PAYROLL SERVER E5335 2000 XEAON CLOVERTOWN	SPARTANBURG, SC	\$3,538.27	\$1,684.88
PBX UPGRADE	SPARTANBURG, SC	\$61,757.63	\$37,740.76
PC/ MONITOR	SPARTANBURG, SC	\$1,007.99	\$0.00
PDA SCANNER TESTING MODEL	SPARTANBURG, SC	\$2,304.75	\$998.72
PDT 6800 SERIES LITHIUM ION BATTERY PAK	SPARTANBURG, SC	\$965.07	\$48.28
PENTIUM II 333MHZ COMPUTER	SPARTANBURG, SC	\$1,327.00	\$0.00
PENTIUM II 333MHZ COMPUTER	SPARTANBURG, SC	\$1,327.00	\$0.00
PHONE SYSTEM PROGRAMMING	SPARTANBURG, SC	\$6,572.00	\$0.00
PORTMASTER	SPARTANBURG, SC	\$1,000.00	\$0.00
POWER POINT 2002	SPARTANBURG, SC	\$548.00	\$0.00
POWER QUALITY SYSTEMS	SPARTANBURG, SC	\$13,930.00	\$1,857.34
PRINT CONTROLLER FOR COPIER	SPARTANBURG, SC	\$2,262.75	\$0.00
PRINTER	SPARTANBURG, SC	\$902.97	\$0.00
PROGRAMING 401K DATA EXTRACT	SPARTANBURG, SC	\$1,062.50	\$0.00
QUARKXPRESS 6.0 WIN	SPARTANBURG, SC	\$1,466.01	\$0.00
QUICK BOOKS PRO 2007	SPARTANBURG, SC	\$499.95	\$0.00
REFURBISHED 7133-D40 DISK FOR M80	SPARTANBURG, SC	\$6,354.77	\$0.00
REMOTE NETWORK MAINTENANCE	SPARTANBURG, SC	\$2,000.00	\$0.00
REMOTE SUPPORT HARDWARE FOR PC'S, MOBILE DEVICES	SPARTANBURG, SC	\$11,471.50	\$9,878.24
RF MODIFCATION	SPARTANBURG, SC	\$5,400.00	\$0.00
RISC 6000 P5	SPARTANBURG, SC	\$134,942.98	\$0.00
RON JR'S OFFICE	SPARTANBURG, SC	\$544.00	\$0.00
RON SR'S OFFICE	SPARTANBURG, SC	\$3,664.00	\$0.00
RS 6000 MODEL M80	SPARTANBURG, SC	\$161,526.99	\$0.00
SALES FORCE AUTOMATION	SPARTANBURG, SC	\$8,250.00	\$0.00

In re: The Merit Group, Inc.
Case No. 11-03216
Schedule B28
Personal Property - Office equipment, furnishings, and supplies

Description	Location	Cost basis	Book value
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SCAN GUN FOR KEWILL PROJECT	SPARTANBURG, SC	\$1,162.62	\$581.33
SECURITY & ALARM SYSTEM	SPARTANBURG, SC	\$4,470.55	\$0.00
SERVER FOR MAIN STREET	SPARTANBURG, SC	\$8,501.20	\$2,125.31
SOFTWARE - PEGMAN & SNAPSHOT	SPARTANBURG, SC	\$9,813.00	\$0.00
SOFTWARE CUSTOM MODIFICATION	SPARTANBURG, SC	\$11,655.00	\$0.00
SOFTWARE CUSTOMIZATION	SPARTANBURG, SC	\$3,000.00	\$0.00
SQL SERVER STANDARD EDITION 2005	SPARTANBURG, SC	\$2,362.50	\$0.00
STARSHIP OPTIONAL MODULE	SPARTANBURG, SC	\$1,257.95	\$0.00
STORAGE CABINETS	SPARTANBURG, SC	\$1,800.00	\$120.00
SUPPORT/ UPGRAD FOR MITS SOFTWARE- ECLIPSE SYSTEM	SPARTANBURG, SC	\$3,600.00	\$0.00
SUPPORT/ UPGRADES FOR MITS SOFTWARE	SPARTANBURG, SC	\$3,600.00	\$16.67
SYMANTEC SAV CORP ED	SPARTANBURG, SC	\$970.20	\$0.00
SYMBOL WIRELESS	SPARTANBURG, SC	\$1,151.28	\$0.00
SYMBOL WIRELESS	SPARTANBURG, SC	\$16,855.16	\$0.00
SYMBOL WIRELESS ECL4158	SPARTANBURG, SC	\$7,417.88	\$6,676.10
TECHNICAL SUPPORT/ PROFESSIONAL SERVICES- BUSINESS FLOW DEPLOYMENT PROJECT	SPARTANBURG, SC	\$9,875.00	\$1,371.52
TIME CLOCKS	SPARTANBURG, SC	\$7,495.00	\$0.00
TIMECLOCK SOFTWARE	SPARTANBURG, SC	\$13,350.00	\$0.00
UNITECH SCANNER PA600	SPARTANBURG, SC	\$1,390.00	\$1,112.01
UNIVERSE & ECLIPSE UPGRADE (2)	SPARTANBURG, SC	\$1,670.00	\$55.68
VOC MODIFICATION	SPARTANBURG, SC	\$7,290.00	\$3,442.50
WEB COMMERCE SOFTWARE	SPARTANBURG, SC	\$6,650.00	\$0.00
WINDOWS XP PROF. ED	SPARTANBURG, SC	\$6,566.07	\$0.00
WOE MODIFICATION- OFF SITE	SPARTANBURG, SC	\$2,160.00	\$1,020.00
XIRCOM NETSTATION	SPARTANBURG, SC	\$655.00	\$0.00
ZEBRA LP 2844 DIRECT THERMAL DESKTOP PRINTER	SPARTANBURG, SC	\$459.76	\$229.88
ZEBRA LP 2844 DIRECT THERMAL DESKTOP PRINTER	SPARTANBURG, SC	\$459.76	\$229.88
ZEBRA LP 2844 DIRECT THERMAL DESKTOP PRINTER	SPARTANBURG, SC	\$459.76	\$229.88
ZEBRA LP 2844 DIRECT THERMAL DESKTOP PRINTER	SPARTANBURG, SC	\$459.76	\$229.88
ZEBRA LP 2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.82	\$269.96
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.82	\$269.96
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.82	\$269.96
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.82	\$269.96
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.82	\$269.96
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.82	\$269.96
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.82	\$269.96
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.82	\$269.96
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.82	\$269.96
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.82	\$269.96
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.82	\$269.96
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.82	\$269.96
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.82	\$269.96
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.82	\$269.96
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.82	\$269.96
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.83	\$269.95
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.83	\$269.95
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.83	\$269.95
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.83	\$269.95
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.83	\$269.95
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.83	\$269.95
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.83	\$269.95

In re: The Merit Group, Inc.
Case No. 11-03216
Schedule B28
Personal Property - Office equipment, furnishings, and supplies

Description	Location	Cost basis	Book value
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.83	\$269.95
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.83	\$269.95
ZEBRA LP2844Z RPINTER, DIRECT THERMAL DESKTOP, METAL TEAR EDGE, STD FLASH	SPARTANBURG, SC	\$490.83	\$269.95
TOTAL:		\$3,521,595.24	\$1,321,983.02

In re: The Merit Group, Inc.
Case No. 11-03216
Schedule B35

Personal Property - Other personal property of any kind not already listed

	Description	Location	Book Value
ARCHITECT RENOVATIONS		SPARTANBURG, SC	\$4,200.21
CARPET		SPARTANBURG, SC	\$88.48
CARPET TILES		SPARTANBURG, SC	\$2,537.80
DOORS ON CABINETS		SPARTANBURG, SC	\$1,664.15
DUE FROM MERIT INVESTMENTS		SPARTANBURG, SC	\$304,455.00
DUE FROM MERIT LEASING		SPARTANBURG, SC	\$936,324.00
DUE FROM SHAREHOLDERS		SPARTANBURG, SC	\$656,582.00
HANDICAP ACCESS DOOR/ POWER OPENER INSTALLED		SPARTANBURG, SC	\$1,304.87
IMPROVE- PAINTING BRICK ON OFFICE BLDG		SPARTANBURG, SC	\$2,772.32
IMPROVEMENT		SPARTANBURG, SC	\$4,766.83
IMPROVEMENTS		SPARTANBURG, SC	\$4,653.36
IMPROVEMENTS		SPARTANBURG, SC	\$7,502.54
IMPROVEMENTS		SPARTANBURG, SC	\$1,566.91
IMPROVEMENTS- PAINTING BUILDING		SPARTANBURG, SC	\$1,259.00
INSULATION OF DOOR AND UPFIT OF OFFICE		SPARTANBURG, SC	\$1,020.00
INTERIOR UPFIT OF STORAGE ROOM- INSTALL CONF ROOM DOOR AND CABINET IN LOBBY		SPARTANBURG, SC	\$12,092.84
PAINTING IMPROVEMENT		SPARTANBURG, SC	\$181.34
PASSPOINT DOOR EXPANSION		SPARTANBURG, SC	\$2,260.33
ROOFING AND SHEET METAL IMPROVEMENTS		SPARTANBURG, SC	\$2,360.11
	TOTAL:	\$1,947,592.09	

B6D (Official Form 6D) (12/07)

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS

State the name, mailing address, including zip code, and last four digits of any account number of all entities holding claims secured by property of the debtor as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. List creditors holding all types of secured interests such as judgment liens, garnishments, statutory liens, mortgages, deeds of trust, and other security interests.

List creditors in alphabetical order to the extent practicable. If a minor child is the creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. § 112 and Fed. R. Bankr. P. 1007(m). If all secured creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "HWJC."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Total the columns labeled "Amount of Claim Without Deducting Collateral" and "Unsecured Portion, if Any" in the boxes labeled "Total(s)" on the last sheet of the completed schedule. Report the total from the column labeled "Amount of Claim Without Deducting Value of Collateral" also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report the total from the column labeled "Unsecured Portion, if Any" on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding secured claims to report on this Schedule D.

CREDITOR'S NAME AND MAILING ADDRESS, INCLUDING ZIP CODE, AND AN ACCOUNT NUMBER <i>(See Instructions Above.)</i>	C O D E B T O R	H W J C	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	C O N T I N G E N T	U N L I P U N G I D A T E	D I S P U T E D E	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
SEE ATTACHED SCHEDULE D							\$63,474,951.00	UNKNOWN

Subtotal(s) (Total(s) on this page)	\$63,474,951.00	\$0.00
Total(s) (Use only on last page)	\$63,474,951.00	\$0.00

(Report also on
Summary of Schedules) (If applicable, report
also on Statistical
Summary of Certain
Liabilities and
Related Data)

In re: The Merit Group, Inc.
 Case No. 11-03216
 Schedule D
 Creditors Holding Secured Claims

Creditor Name	Creditor Notice Name	Codebtor	Address 1	Address 2	City	State	Zip	Date claim was incurred, nature of lien and description and value of property subject to lien	Contingent Unliquidated Disputed	Amount of claim without deducting value of collateral	Unsecured portion, if any
ALLY	PAYMENT PROCESSING CENTER		PO BOX 9001951		LOUISVILLE	KY	40250	OCTOBER 2007; SECURED BY 2007 GMC YUKON		\$9,363.00	\$0.00
REGIONS BANK	ELIZABETH L. SCHOEN	X	191 PEACHTREE STREET	SUITE 3800	ATLANTA	GA	30303	JANUARY 15, 2010; SECURED BY ALL PROPERTY OF THE DEBTOR		\$7,460,000.00	UNKNOWN
REGIONS BANK	ELIZABETH L. SCHOEN	X	191 PEACHTREE STREET	SUITE 3800	ATLANTA	GA	30303	JANUARY 15, 2010; SECURED BY ALL PROPERTY OF THE DEBTOR		\$916,679.00	UNKNOWN
REGIONS BANK	ELIZABETH L. SCHOEN	X	191 PEACHTREE STREET	SUITE 3800	ATLANTA	GA	30303	JANUARY 15, 2010; SECURED BY ALL PROPERTY OF THE DEBTOR		\$794,428.00	UNKNOWN
REGIONS BANK	ELIZABETH L. SCHOEN	X	191 PEACHTREE STREET	SUITE 3800	ATLANTA	GA	30303	JANUARY 15, 2010; SECURED BY ALL PROPERTY OF THE DEBTOR		\$455,113.00	UNKNOWN
REGIONS BANK	ELIZABETH L. SCHOEN	X	191 PEACHTREE STREET	SUITE 3800	ATLANTA	GA	30303	MAY 2, 2008; SECURED BY ALL PROPERTY OF THE DEBTOR		\$1,004,792.00	UNKNOWN
REGIONS BANK	ELIZABETH L. SCHOEN	X	191 PEACHTREE STREET	SUITE 3800	ATLANTA	GA	30303	MARCH 3, 2008; SECURED BY ALL PROPERTY OF THE DEBTOR		\$409,377.00	UNKNOWN
REGIONS BANK	ELIZABETH L. SCHOEN	X	191 PEACHTREE STREET	SUITE 3800	ATLANTA	GA	30303	DECEMBER 30, 2008; SECURED BY ALL PROPERTY OF THE DEBTOR		\$118,477.00	UNKNOWN
STONEHENGE OPPORTUNITY FUND II, L.P.	MICHAEL D. ARGUELLES	X	191 W. NATIONWIDE BLVD.	SUITE 600	COLUMBUS	OH	43215	PROPERTY OF THE DEBTOR; SUBORDINATED TO REGIONS BANK.		\$12,276,642.00	UNKNOWN
								TOTAL: \$63,474,951.00		\$0.00	

B6E (Official Form 6E) (04/10)

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

A complete list of claims entitled to priority, listed separately by type of priority, is to be set forth on the sheets provided. Only holders of unsecured claims entitled to priority should be listed in this schedule. In the boxes provided on the attached sheets, state the name, mailing address, including zip code, and last four digits of the account number, if any, of all entities holding priority claims against the debtor or the property of the debtor, as of the date of the filing of the petition. Use a separate continuation sheet for each type of priority and label each with the type of priority.

The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. § 112 and Fed. R. Bankr. P. 1007(m).

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H-Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "HWJC." If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of claims listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all claims listed on this Schedule E in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

Report the total of amounts entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Report the total of amounts not entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts not entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding unsecured priority claims to report on this Schedule E.

TYPES OF PRIORITY CLAIM (Check the appropriate box(es) below if claims in that category are listed on the attached sheets)

Domestic Support Obligations

Claims for domestic support that are owed to or recoverable by a spouse, former spouse, or child of the debtor, or the parent, legal guardian, or responsible relative of such a child, or a governmental unit to whom such a domestic support claim has been assigned to the extent provided in 11 U.S.C. § 507(a)(1).

Extensions of credit in an involuntary case

Claims arising in the ordinary course of the debtor's business or financial affairs after the commencement of the case but before the earlier of the appointment of a trustee or the order for relief. 11 U.S.C. § 507(a)(3).

Wages, salaries, and commissions

Wages, salaries, and commissions, including vacation, severance, and sick leave pay owing to employees and commissions owing to qualifying independent sales representatives up to \$11,725* per person earned within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(4).

Contributions to employee benefit plans

Money owed to employee benefit plans for services rendered within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(5).

**Amounts are subject to adjustment on 4/01/13, and every three years thereafter with respect to cases commenced on or after the date of adjustment.*

B6E (Official Form 6E) (04/10) - Cont.

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

Certain farmers and fishermen

Claims of certain farmers and fishermen, up to \$5,775* per farmer or fisherman, against the debtor, as provided in 11 U.S.C. § 507(a)(6).

Deposits by individuals

Claims of individuals up to \$2,600* for deposits for the purchase, lease, or rental of property or services for personal, family, or household use, that were not delivered or provided. 11 U.S.C. § 507(a)(7).

Taxes and Certain Other Debts Owed to Governmental Units

Taxes, customs duties, and penalties owing to federal, state, and local governmental units as set forth in 11 U.S.C. § 507(a)(8).

Commitments to Maintain the Capital of an Insured Depository Institution

Claims based on commitments to the FDIC, RTC, Director of the Office of Thrift Supervision, Comptroller of the Currency, or Board of Governors of the Federal Reserve System, or their predecessors or successors, to maintain the capital of an insured depository institution. 11 U.S.C. § 507 (a)(9).

Claims for Death or Personal Injury While Debtor Was Intoxicated

Claims for death or personal injury resulting from the operation of a motor vehicle or vessel while the debtor was intoxicated from using alcohol, a drug, or another substance. 11 U.S.C. § 507 (a)(10).

**Amounts are subject to adjustment on 4/01/13, and every three years thereafter with respect to cases commenced on or after the date of adjustment.*

B6E (Official Form 6E) (04/10) - Cont.

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS, INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See Instructions Above.)	CODE DE BT OR	H W J C	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM	CONTINGENT				AMOUNT OF CLAIM	AMOUNT ENTITLED TO PRIORITY	AMOUNT NOT ENTITLED TO PRIORITY, IF ANY
				C O N T I N G E N T	U N L I Q U I D	D I S P U T E D	E N T E D			
SEE ATTACHED SCHEDULE E								\$422,945.93	\$300,663.07	\$122,282.86
Subtotals (Totals on this page):										
Total: (Report also on the Summary of Schedules)										
Totals: (Report also on the Statistical Summary of Certain Liabilities Related Data)										

Subtotals (Totals on this page):

\$422,945.93

\$300,663.07

\$122,282.86

\$422,945.93

Creditor Name	Creditor Notice Name	Address 1	Address 2	City	State	21P	Date claim was incurred and constitution for claim	Claiming creditor Debtors	Total amount of claim	Amount entitled to priority
ALABAMA DEPARTMENT OF REVENUE	VAUGHAN, ANGELA COLLINS	WITHHOLDING TAX SECTION PO BOX 29609	P. O. BOX 327480	MONTGOMERY PHOENIX	AL AZ	\$6132-480 85038-9009	5/6/2011 & 5/13/2011 5/6/2011 & 5/13/2011	\$93.73 \$148.29	\$63.73 \$0.00	\$0.00
ARIZONA DEPT. OF REVENUE	ANGIE VAUGHAN	201 NORTH BROADWAY	PO BOX 29609	PHOENIX	AZ	40659	5/6/2011 & 5/13/2011	\$900.00	\$300.00	\$0.00
ARIZONA DEPT. OF ECONOMIC SECURITY	ARKANSAS DEPT. OF ECONOMIC SECURITY	PO BOX 520207	PO BOX 1272	LITTLE ROCK	AR	85072-2027 18013	5/20/2011 & 5/13/2011 APRIL 2011, 5/6/2011 & 5/13/2011	\$19.66 \$85.13	\$19.66 \$85.13	\$0.00
ARKANSAS DEPT. OF FINANCE & ADMIN.	BERKHEIMER TAX ADMINISTRATOR (WARRINGTON TOWNSHIP)	PO BOX 905 4681 WEST 4460 SOUTH	PO BOX 1403 150 GOAD CEMETERY ROAD	BANGOR NEW HAVEN	PA IN	40659 47631	APRIL 2011, 5/6/2011 & 5/13/2011 12/31/2010, MAY 2011	\$112.00 \$3,705.51	\$112.00 \$3,705.51	\$0.00
BOB BULLOCK	BULLOCK, ROBERT GLENN	150 GOAD CEMETERY ROAD	150 HICKORY DRIVE	MANAKIN SABOT	VA	40659	12/31/2010, MAY 2011	\$3,143.76	\$3,143.76	\$0.00
BOB BONSMAN	BONSMAN, BRIAN PATRICK	150 HICKORY DRIVE	2102 LAKESIDE AVE.	CLEVELAND	OH	44114	APRIL 2011, 5/6/2011 & 5/13/2011	\$127.17	\$127.17	\$0.00
BRIAN BONSMAN	CENTRAL COLLECTION AGENCY (MEDINA)	1601 IMPERIAL DRIVE	1701 LAKESIDE AVE.	REDDING	CA	96003	APRIL 2011, 5/6/2011 & 5/13/2011	\$0.00	\$0.00	\$0.00
CODY RYAN	RYAN, CODY EUGENE	1604 IMPERIAL DRIVE	1604 IMPERIAL DRIVE	DENVER	CO	80203	APRIL 2011, 5/6/2011 & 5/13/2011	\$48.27	\$48.27	\$0.00
COLORADO DEPARTMENT OF LABOR AND EMPLOYMENT	COLORADO DEPARTMENT OF LABOR AND EMPLOYMENT	251 E. 12TH AVE	233 PROVIDENCE DRIVE	DENVER	CO	80261-0098 40653	5/6/2011 & 5/13/2011	\$32.60 \$1,000.00	\$32.60 \$1,000.00	\$0.00
COLORADO DEPARTMENT OF REVENUE	CRANS BLAND	233 PROVIDENCE DRIVE	139 JAMIE BARNETT DRIVE	MEDINA	OH	44256	5/6/2011 & 5/13/2011	\$1,062.00	\$1,062.00	\$0.00
CYNTHIA ALLEN	ALLEN, CYNTHIA LYNN	28622 SADDLE OAK	PO BOX 2708	BILLING SPRINGS	SC	28316	12/31/2010 & 5/6/2011	\$4,087.36	\$4,087.36	\$0.00
DAN BENETEAU	BENETEAU, DANIEL PAUL	28622 SADDLE OAK	3001 CENTRAL AVE.	VENTURA	CA	93002	12/31/2010 & 5/6/2011	\$60,000.00	\$60,000.00	\$51,155.01
DAVE BARTHOLOMEW	BARTHOLOMEW, DAVID P.	590 RIDGE ROAD	3001 CENTRAL AVE.	SPARTANBURG	SC	28301	12/31/2010 & 5/6/2011	\$8,644.99	\$8,644.99	\$0.00
DAVE DAILEY	DAILEY, DAVID R.	4111 ASTER DRIVE	3001 CENTRAL AVE.	WALLER LAKE	MI	40650	12/31/2010 & 5/6/2011	\$2,596.16	\$2,596.16	\$0.00
DAVID RICH	RICH, DAVID A.	4211 FARNBOROUGH RD	3001 CENTRAL AVE.	SPARTANVILLE	SC	28301	12/31/2010 & 5/6/2011	\$2,596.16	\$2,596.16	\$0.00
DEAN SCOTT	SCOTT, DEAN E.	4202 EAST 54TH AVE	3001 CENTRAL AVE.	SPARTANBURG	SC	28301	12/31/2010 & 5/6/2011	\$2,596.16	\$2,596.16	\$0.00
DENE MERONI	MERONI, DENE OTIS	28622 SADDLE OAK	3001 CENTRAL AVE.	SPARTANBURG	SC	28301	12/31/2010 & 5/6/2011	\$2,596.16	\$2,596.16	\$0.00
DENNIS FLETCHER	FLETCHER, DENNIS W.	28622 SADDLE OAK	3001 CENTRAL AVE.	SPARTANBURG	SC	28301	12/31/2010 & 5/6/2011	\$2,596.16	\$2,596.16	\$0.00
DEPARTMENT OF TAXATION	DEPARTMENT OF TAXATION	28622 SADDLE OAK	3001 CENTRAL AVE.	SPARTANBURG	SC	28301	12/31/2010 & 5/6/2011	\$2,596.16	\$2,596.16	\$0.00
DEPARTMENT OF WORKFORCE DEVELOPMENT	DEPARTMENT OF WORKFORCE DEVELOPMENT	28622 SADDLE OAK	3001 CENTRAL AVE.	SPARTANBURG	SC	28301	12/31/2010 & 5/6/2011	\$2,596.16	\$2,596.16	\$0.00
DIV. OF EMPLOYMENT SECURITY	DIV. OF EMPLOYMENT SECURITY	PO BOX 988	3001 CENTRAL AVE.	SPARTANBURG	SC	28301	12/31/2010 & 5/6/2011	\$2,596.16	\$2,596.16	\$0.00
DIVISION OF UNEMPLOYMENT INSURANCE	DIVISION OF UNEMPLOYMENT INSURANCE	PO BOX 203	3001 CENTRAL AVE.	SPARTANBURG	SC	28301	12/31/2010 & 5/6/2011	\$1,635.87	\$1,635.87	\$0.00
DOMINICA REDMAN	REDMAN, DOMINICA	6343 CHRISTOPHER	3001 CENTRAL AVE.	SPARTANBURG	SC	28301	12/31/2010 & 5/6/2011	\$2,596.16	\$2,596.16	\$0.00
DOUG NISSELY	NISSELY, JAMES DOUGLAS	122 ASHBY COURT	3001 CENTRAL AVE.	SPARTANBURG	SC	28301	12/31/2010 & 5/6/2011	\$2,596.16	\$2,596.16	\$0.00
ELIZABETH TRUILLICK	TRUILLICK, ELIZABETH WESTBROOK	126 TOWNEPARK LANE	3001 CENTRAL AVE.	SPARTANBURG	SC	28301	12/31/2010 & 5/6/2011	\$2,596.16	\$2,596.16	\$0.00
EMILY WATSON	WATSON, EMILY G.	1200 OAKVIEW FARMS ROAD	3001 CENTRAL AVE.	SPARTANBURG	SC	28301	12/31/2010 & 5/6/2011	\$2,596.16	\$2,596.16	\$0.00
EMPLOYMENT DEVELOPMENT DEPARTMENT	EMPLOYMENT DEVELOPMENT DEPARTMENT	PO BOX 888071	3001 CENTRAL AVE.	SPARTANBURG	SC	28301	12/31/2010 & 5/6/2011	\$2,596.16	\$2,596.16	\$0.00
FLORIDA DEPARTMENT OF REVENUE	FLORIDA DEPARTMENT OF REVENUE	560 W TENNESSEE ST	3301 ROUND HILL ROAD	TALLAHASSEE	FL	32389-9071	APRIL 2011, 5/6/2011 & 5/13/2011	\$172.30	\$172.30	\$0.00
GEORGE J. PHIPPS	PHIPPS, GEORGE JOHN	3301 ROUND HILL ROAD	3301 ROUND HILL ROAD	GREENSBORO	NC	27408	12/31/2010 & 5/6/2011	\$171.44	\$171.44	\$0.00
GEORGIA DEPARTMENT OF REVENUE	GEORGIA DEPARTMENT OF REVENUE	PROCESSING CENTER	PO BOX 740387	ATLANTA	GA	30374-0387	12/31/2010 & 5/6/2011	\$5.00	\$5.00	\$0.00
GREGORY F. DALY, COLLECTION OF REVENUE	GREGORY F. DALY, COLLECTION OF REVENUE	3301 SOUTH STATE STREET	PO BOX 68986	ST. LOUIS	MO	63166-68986	12/31/2010 & 5/6/2011	\$500.00	\$500.00	\$0.00
HAL HOUINHAN	HOUINHAN, HAROLD R.	3301 SOUTH STATE STREET	6107 ELIZABETH RD.	NASHVILLE	TN	37205	12/31/2010 & 5/6/2011	\$114.55	\$114.55	\$0.00
ILLINOIS DEPARTMENT OF EMPLOYMENT SECURITY	ILLINOIS DEPARTMENT OF EMPLOYMENT SECURITY	3301 SOUTH STATE STREET	PO BOX 18447	CHICAGO	IL	60603	5/6/2011 & 5/13/2011	\$414.96	\$414.96	\$0.00
ILLINOIS DEPARTMENT OF REVENUE	ILLINOIS DEPARTMENT OF REVENUE	3301 SOUTH STATE STREET	10 N SENATE AVENUE	INDIANAPOLIS	IN	40659	5/6/2011 & 5/13/2011	\$24.24	\$24.24	\$0.00
IN DEPT. OF WORKFORCE DEVELOPMENT	IN DEPT. OF WORKFORCE DEVELOPMENT	3301 SOUTH STATE STREET	PO BOX 595	INDIANAPOLIS	IN	40659	4/20/2011 & 5/13/2011	\$45.66	\$45.66	\$0.00
INDIANA DEPT. OF REVENUE	INDIANA DEPT. OF REVENUE	3301 SOUTH STATE STREET	PO BOX 643866	INDIANAPOLIS	IN	40659	4/20/2011 & 5/13/2011	\$1,331.01	\$1,331.01	\$0.00
JASON SPENCER	SPENCER, JASON A.	3301 SOUTH STATE STREET	3306 MT. VERNON ROAD	INDIANAPOLIS	IN	40659	4/20/2011 & 5/13/2011	\$74.84	\$74.84	\$0.00
JEFF H. FOSTER	FOSTER, JEFFREY P.	3301 SOUTH STATE STREET	1051 S. 750 EAST	WALKERTON	IN	46574	4/20/2011 & 5/13/2011	\$3,564.02	\$3,564.02	\$0.00
JOE WEST	WEST, JOE EARL	3301 SOUTH STATE STREET	3119 STONE STATION ROAD	SPARTANBURG	SC	28305	4/20/2011 & 5/13/2011	\$1,615.38	\$1,615.38	\$0.00
JOE YOUNG	YOUNG, III, JOSEPH KLEBER	3301 SOUTH STATE STREET	745 NORTH 535 EAST	DALLAS	TX	75230	4/20/2011 & 5/13/2011	\$5,000.00	\$5,000.00	\$0.00
KEITH TENNEY	TENNEY, KEITH E.	3301 SOUTH STATE STREET	PO BOX 643866	PEASANT GROVE	IL	40653	4/20/2011 & 5/13/2011	\$767.67	\$767.67	\$0.00
KENTON COUNTY FISCAL COURT	KENTON COUNTY FISCAL COURT	3301 SOUTH STATE STREET	1064 GARDENIA TERRACE	CINCINNATI	OH	45264-3866	APRIL 2011, 5/6/2011 & 5/13/2011	\$740.58	\$740.58	\$0.00
KENTUCKY DEPARTMENT OF REVENUE	KENTUCKY DEPARTMENT OF REVENUE	3301 SOUTH STATE STREET	1065 S. 750 EAST	FRANKFORT	KY	40650-0004	5/6/2011 & 5/13/2011	\$7,775.23	\$7,775.23	\$0.00
LES KIRVIN	KIRVIN, LESLIE M.	3301 SOUTH STATE STREET	3119 STONE STATION ROAD	ALAMEDA	CA	40654	5/6/2011 & 5/13/2011	\$2,692.32	\$2,692.32	\$0.00
LORNA LALITTE	LORNA LALITTE	3301 SOUTH STATE STREET	745 NORTH 535 EAST	BATON ROUGE	LA	70821-9017	5/6/2011 & 5/13/2011	\$37.74	\$37.74	\$0.00
LOUISIANA DEPARTMENT OF REVENUE	LOUISIANA DEPARTMENT OF REVENUE	3301 SOUTH STATE STREET	745 NORTH 535 EAST	CHESAPEAKE	SC	28323	5/6/2011 & 5/13/2011	\$1,200.00	\$1,200.00	\$0.00
MELLE LYNN MARIE	MELLE LYNN MARIE	3301 SOUTH STATE STREET	745 NORTH 535 EAST	CHICAGO	IL	36109	5/6/2011 & 5/13/2011	\$250.00	\$250.00	\$0.00
MARY WILLIAMS	MARY WILLIAMS	3301 SOUTH STATE STREET	745 NORTH 535 EAST	PORTLAND	OR	97233	5/6/2011 & 5/13/2011	\$2,200.00	\$2,200.00	\$0.00
MELISSA MAHONEY	MELISSA MAHONEY	3301 SOUTH STATE STREET	745 NORTH 535 EAST	PENNINGTON	NJ	07534	5/12/2011 & 4/16/2011	\$3,157.50	\$3,157.50	\$0.00
MERRILL LYNCH	MERRILL LYNCH	3301 SOUTH STATE STREET	745 NORTH 535 EAST	LANSING	MI	48930	5/6/2011 & 5/13/2011	\$218.82	\$218.82	\$0.00
MICHIGAN DEPARTMENT OF TREASURY	MICHIGAN DEPARTMENT OF TREASURY	3301 SOUTH STATE STREET	745 NORTH 535 EAST	FRESNO	CA	40654	5/6/2011 & 5/13/2011	\$7,767.22	\$7,767.22	\$2,150.00
MICKEY PAIR	MICKEY PAIR	3301 SOUTH STATE STREET	745 NORTH 535 EAST	JEJUSP	CA	31546	4/20/2011 & 5/13/2011	\$3,097.51	\$3,097.51	\$0.00
MIKE RAJOLSKI	MIKE RAJOLSKI	3301 SOUTH STATE STREET	745 NORTH 535 EAST	JEJUSP	CA	31546	4/20/2011 & 5/13/2011	\$3,097.51	\$3,097.51	\$0.00

In re: The Merit Group, Inc.
Case No. 11-03216
Schedule E
Creditors Holding Unsecured Priority Claims

Creditor Name	Creditor Notice Name	Address 1	Address 2	City	State	Zip	Date claim was incurred and consideration for claim	Challenged	Disputed	Total amount of claim	Amount entitled to priority, if any
MIKE SMITH	SMITH, MICHAEL H.	3111 HAYSTACK HILL P.O. BOX 6439		ROEBUCK ST. PAUL	SC	23176 55164-0439	5/6/2011 & 5/13/2011 40543			\$60,000.00	\$265.11
MINNESOTA REVENUE MISSOURI DEPT. OF REVENUE TAXATION DIV.	MINNESOTA REVENUE MISSOURI DEPT. OF REVENUE TAXATION DIV.	2551 COMPTON BRIDGE ROAD POST OFFICE BOX 25300 PO BOX 14800		JEFFERSON CITY INMAN	MO	65105-3375 29349	5/6/2011 & 5/13/2011 40869			\$85.00	\$0.00
NANCY BALLENGER				RALEIGH SALEM	NC	27640-0605 97369-9920	5/6/2011 & 5/13/2011 5/6/2011 & 5/13/2011			\$1,140.00 \$142.00 \$24.98	\$1,140.00 \$142.00 \$0.00
NORTH CAROLINA DEPARTMENT OF REVENUE				SPARTANBURG	SC	28304-5807 40513				\$56,396.58	\$0.00
OREGON DEPARTMENT OF REVENUE				HARRISBURG PLANO	PA	17128-0934 77106-7504	5/6/2011 & 5/13/2011 APRIL 2011, 5/6/2011 & 5/13/2011 40543			\$52.48 \$274.09 \$250.00	\$0.00
OREGON DEPARTMENT OF REVENUE				MIAMI CHICO	FL	73074 95973				\$750.00 \$8,139.19	\$0.00
OREN L. BRADY, TREASURER SPAR ANBURG COUNTY				CINCINNATI COLUMBIA	OH	40654 40676	4/22/11-0034 APRIL 2011, 5/13/2011 29212			\$50.00 \$10,288.47	\$0.00
PA DEPARTMENT OF REVENUE PA DEPT. OF LABOR AND INDUSTRY				TRENTON PASO ROBLES	NJ	08646-0528 93446	APRIL 2011, 5/6/2011 & 5/13/2011 APRIL 2011, 5/6/2011 & 5/13/2011 40318 78778-0001			\$4,894.62 \$54.70 \$2,254.00 \$2,168.00	\$4,894.62 \$54.70 \$2,254.00 \$2,168.00
PERRY SMITH				AUSTIN COLUMBUS	TX		APRIL 2011, 5/6/2011 & 5/13/2011 5/6/2011 & 5/13/2011 45216-0347			\$462.01	\$462.01
RICK FLORES										\$477.73	\$0.00
ROB WOLF										\$59,327.45	\$0.00
ROCKY OLDEBACK										\$2,097.86	\$0.00
SC DEPARTMENT OF REVENUE SC DEPARTMENT OF REVENUE SOUTH CAROLINA DEPARTMENT OF EMPLOYMENT AND WORKFORCE STATE OF NJ DEPARTMENT OF THE TREASURY										\$770.00	\$0.00
STEVE FUGH										\$1,000.00	\$0.00
TEXAS WORKFORCE COMMISSION										\$2,057.70	\$0.00
TREASURER OF THE STATE OH DEPT OF TAXATION										\$30.76	\$0.00
UNEMPLOYMENT INSURANCE PROGRAM UNITED STATES TREASURY		332 MINNESOTA STREET, 1ST NATIONAL BANK BUILDING INTERNAL REVENUE SERVICE P.O. BOX 804522		ST. PAUL CINCINNATI	MN	55101-1351 42280-4522	40654 40676			\$1,477.3	\$0.00
UTAH DEPT. OF WORKFORCES SERVICES		140 EAST 300 SOUTH 210 NORTH 1850 WEST 3398 CUTTER RIDGE RD		SALT LAKE CITY UTAH UTAH TAX COMMISSION VERNE BUCHANAN	UT	84111 84134-0100 72034 WEATHERFORD	APRIL 2011, 5/6/2011 & 5/13/2011 5/6/2011 & 5/13/2011 72034 78006			\$59,327.45 \$2,097.86 \$770.00	\$59,327.45 \$2,097.86 \$0.00
WAYNE WORTHY		112 ORIDDLE AVENUE 965 RHYMES LANE								\$1,000.00	\$0.00
WILL CLARK										\$2,057.70	\$0.00
YORK ADAMS TAX BUREAU COUNTY		PO BOX 15627		YORK	PA	17405	APRIL 2011, 5/6/2011 & 5/13/2011			\$30.76	\$0.00
										TOTAL: \$222,945.93	\$30,363.07
										\$122,287.86	

B6F (Official Form 6F) (12/07)

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

State the name, mailing address, including zip code, and last four digits of any account number, of all entities holding unsecured claims without priority against the debtor or the property of the debtor, as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See 11 U.S.C. § 112 and Fed. R. Bankr. P. 1007(m). Do not include claims listed in Schedules D and E. If all creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "HWJC."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of all claims listed on this schedule in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding unsecured nonpriority claims to report on this Schedule F.

CREDITOR'S NAME, MAILING ADDRESS, INCLUDING ZIP CODE, AND ACCOUNT NUMBER <i>(See Instructions Above.)</i>	C O D E B T O R	H W J C	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	C O N T I N G E N T	U N I Q U I D A T E	D I S P U T E D	AMOUNT OF CLAIM
				T I N G E N T	I Q U I D A T E	D I S P U T E D	
SEE ATTACHED SCHEDULE F							\$2,712,049.78
Subtotal (Total on this page)							\$2,712,049.78
Total (Report also on Summary of Schedules and, if applicable, on the Statistical Summary of Certain Liabilities and Related Data.)							\$2,712,049.78

In re: The Merit Group, Inc.
 Case No. 11-03216
 Schedule F
 Creditors Holding Unsecured Claims

Creditor Name	Creditor Notice Name	Address	City	State	Zip	Date claim was incurred and consideration for claim	Contingent	Unliquidated	Disputed	Total amount of claim
CUSHMAN & WAKEFIELD OF N.J., INC.	TOM R. BURCHAM, III #43332	1290 AVE OF THE AMERICAS 222 WEST COLUMBIA STREET	NEW YORK	NY	10104	LITIGATION	X	X	X	UNKNOWN
DANA A RD			FARMINGTON	MO	63640	LITIGATION	X	X	X	UNKNOWN
FORT, CALEB C		603 HWY 56	SPARTANBURG	SC	29302					\$690,624.66
FORT, CALEB C		603 HWY 56	SPARTANBURG	SC	29302					\$1,530,000.00
JASON SPENCER		314 MT. VERNON ROAD	UNION	SC	29379	AUTO ACCIDENT	X	X	X	UNKNOWN
MICHAEL SUTTON		TOM R. BURCHAM, III #43332	FARMINGTON	MO	63640	LITIGATION	X	X	X	UNKNOWN
WOLFE JR, E, F		222 WEST COLUMBIA STREET 607 HWY 56	SPARTANBURG	SC	29302					\$491,425.12
										TOTAL: \$2,712,049.78

B6G (Official Form 6G) (12/07)

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Describe all executory contracts of any nature and all unexpired leases of real or personal property. Include any timeshare interests. State nature of debtor's interest in contract, i.e., "Purchaser," "Agent," etc. State whether debtor is the lessor or lessee of a lease. Provide the names and complete mailing addresses of all other parties to each lease or contract described. If a minor child is a party to one of the leases or contracts, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m)

Check this box if debtor has no executory contracts or unexpired leases.

NAME AND MAILING ADDRESS, INCLUDING ZIP CODE, OF OTHER PARTIES TO LEASE OR CONTRACT	DESCRIPTION OF CONTRACT OR LEASE AND NATURE OF DEBTOR'S INTEREST, STATE WHETHER LEASE IS FOR NONRESIDENTIAL REAL PROPERTY, STATE CONTRACT NUMBER OF ANY GOVERNMENT CONTRACT
SEE ATTACHED SCHEDULE G	

Name of other parties to lease or contract	Address 1	Address 2	City	State	Zip	Country	Description of contract or lease and nature of debtor's interest.
1500 RAHWAY, LLC	PO BOX 310300	PROPERTY 120210	DES MOINES	IA	50331-0300		DISTRIBUTION CENTER: NJ
ADP, INC	CAROLINA REGION	P.O. BOX 9001006	LOUISVILLE	KY	40290-1006		AVERT (SCREENING & SELECTION SERVICE EXPENSE EXPERT PLUS (CONCUR EXPENSE REPORTING))
ADP, INC	CAROLINA REGION	P.O. BOX 9001006	LOUISVILLE	KY	40290-1006		CONSULTING SERVICES
ALVAREZ AND MARSAL NORTH AMERICA, LLC	3424 PEACHTREE ROAD NE	SUITE 1500	ATLANTA	GA	30326		PURCHASING CARD SERVICE
AMERICAN EXPRESS TRAVEL RELATED SERVICES, INC	PO BOX 550448		DALLAS	TX	75265-0448		PHONE / INTERNET SERVICE
AT&T	208 S AKARD ST		DALLAS	TX	75202		PHONE / INTERNET SERVICE
AT&T	127 WEST ANTRIM DRIVE		CAROL STREAM	IL	60197		PHONE / INTERNET SERVICE
AT-NET (VALUE ADDED RESELLER)	127 WEST ANTRIM DRIVE		GREENVILLE	SC	29607		NETWORKING EQUIP MAINT CONTRACT
AT-NET (VALUE ADDED RESELLER)	127 WEST ANTRIM DRIVE		GREENVILLE	SC	29607		NETWORK STORAGE MAINT AGREEMENT
AT-NET (VALUE ADDED RESELLER)	127 WEST ANTRIM DRIVE		GREENVILLE	SC	29607		SERVER BACK UP SOFTWARE
AT-NET (VALUE ADDED RESELLER)	127 WEST ANTRIM DRIVE		GREENVILLE	SC	29607		SERVIER SOFTWARE
AT-NET (VALUE ADDED RESELLER)	127 WEST ANTRIM DRIVE		GREENVILLE	SC	29607		WEB SECURITY/FILTERING
BLUE CROSS BLUE SHIELD OF SC	P.O. BOX 6000		COLUMBIA	MO	63045		HEALTH INSURANCE
CCA GLOBAL PARTNERS, INC.	4301 EARTH CITY EXPRESSWAY		EARTH CITY	MO	63075		CUSTOMER AGREEMENT
CDW (VALUE ADDED RESELLER)	PO BOX 75723		CHICAGO	IL	60675		PC DEFRACTIONAL SOFTWARE
CHARTER COMMUNICATIONS	12405 POWERSOURT DR		ST. LOUIS	MO	63131		PHONE / INTERNET SERVICE
CHUBB GROUP	PO BOX 9001920		LOUISVILLE	KY	40290		PHONE / INTERNET SERVICE
DELL	15 MOUNTAINVIEW ROAD		WARREN	NJ	07059		D&OFIDICARY/EP/L INSURANCE
DELL (VALUE ADDED RESELLER)	PO BOX 534118		ATLANTA	GA	30353		DNS SERVER MAINT CONTRACT
DENNIS AND ALAN FLETCHER	204 CRISP DRIVE		ATLANTA	GA	30353		VIRUS PROTECTION
DUCKWALL - ALCO	401 COTTAGE AVENUE		HEATH	TX	75032		GUARANTY OF NON-COMPETITION AGREEMENTS
ELITE DISTRIBUTORS INSURANCE CO (EDIC)	KENSINGTON MANAGEMENT GROUP, LTD	2ND FLOOR, GENESIS BUILDING	GEORGE TOWN	KY1-1001			CUSTOMER AGREEMENT
EULER HERMES ACI	800 RED BROOK BLVD.		OWINGS MILLS	MD	21117		CAPTURE INSURANCE PROGRAM GENERAL LIABILITY, WC, AUTO
EVEREST PROPERTY INSURANCE CO. (EPIC)	KENSINGTON MANAGEMENT GROUP, LTD	2ND FLOOR, GENESIS BUILDING	GEORGE TOWN	KY1-1001			CREDIT INSURANCE AGREEMENT
FIRST NATIONAL CAPITAL CORPORATION	26650 TOWNE CENTRE DRIVE		FOOTHILL RANCH	CA	92610		CAPTURE INSURANCE PROGRAM PROPERTY RACKING, SHELVING, MOVING EQUIPMENT
GMG DISTRIBUTORS, INC.	1985 DAVIS ST		SAN LEANDRO	CA	94577		GUARANTY OF NON-COMPETITION AGREEMENTS
IPSWITCH	PO BOX 372		NEW YORK	NY	10008		CUSTOMER AGREEMENT
KURTZMAN CARSON CONSULTANTS LLC	599 LEXINGTON AVE	39TH FLOOR	NEW YORK	NY	10022		CAPTIVE INSURANCE PROGRAM GENERAL LIABILITY
LEVEL 3 COMMUNICATIONS	1025 ELDORADO BLVD		BROOKFIELD	CO	80021		PHONE / INTERNET SERVICE
LG SOURCING, INC.	PO BOX 1535	PO BOX 331843	ATLANTA	GA	31193-1843		PHONE / INTERNET SERVICE
LINCOLN FINANCIAL GROUP	P.O. BOX 0821		NORTH WILKESBORO	NC	28656		CUSTOMER AGREEMENT
MCNAIR LAW FIRM, P.A.	1221 MAIN ST		CAROL STREAM	IL	60132-0821		DISABILITY AND LIFE INSURANCE
MERIT INVESTMENT	1310 UNION STREET		COLUMBIA	SC	29211		LEGAL SERVICES
MERIT LEASING, LLC	1310 UNION ST		SPARTANBURG	SC	29302		MAIN OFFICE: SC
MERITAIN HEALTH	300 CORPORATE PARKWAY		SPARTANBURG	SC	29302		LEASE
MERRILL LYNCH	4802 DEER LAKE DRIVE EAST	BUILDING 2 FLOOR 3	AMHERST	NY	14226		3RD PARTY ADMINISTRATION OF DENTAL PLAN & FSA PLAN
METROPOLITAN TELECOMMUNICATIONS	55 WATERS ST 5TH FLOOR		JACKSONVILLE	FL	32246		3RD PARTY ADMINISTRATION OF 401(K) PLAN
METROPOLITAN TELECOMMUNICATIONS	600 FIFTH AVE		NEW YORK	NY	10041		PHONE FIVE STAR LOCAL NUMBERS THAT ARE POINTED TO LOCAL NUMBERS AT ADMIN OFFICE
MORGAN JOSEPH	PO BOX 1056		NEW YORK	NY	10268-1056		PHONE FIVE STAR LOCAL NUMBERS THAT ARE POINTED TO LOCAL NUMBERS AT ADMIN OFFICE
NATIONAL PATENT DEVELOPMENT CORPORATION	100 SOUTH BEDFORD RD		NEW YORK	NY	10268		INVESTMENT BANKING SERVICES
NETWORK BILLING SYSTEMS VOICE	155 MILLBROOK BLVD		MT KISCO	NY	10549		STOCK PURCHASE AGREEMENT
NETWORK BILLING SYSTEMS VOICE	1801 CALIFORNIA ST		WAYNE	NJ	07470		PHONE / INTERNET SERVICE
QWEST	100 CENTURYLINK DR		WAYNE	NJ	07474-4360		PHONE / INTERNET SERVICE
QWEST	PO BOX 52187		DENVER	CO	80202		PHONE / INTERNET SERVICE
REGIONS BANK	250 RIVERCHASE PKWY, E		MONROE	LA	71203		PHONE / INTERNET SERVICE
REGIONS BANK	250 RIVERCHASE PKWY, E		PHOENIX	AZ	85072		PURCHASING CARD SERVICE
REGIONS BANK	250 RIVERCHASE PKWY, E		BIRMINGHAM	AL	35244		INTEREST SWAP AGREEMENT
REGIONS BANK	250 RIVERCHASE PKWY, E		BIRMINGHAM	AL	35244		INTEREST SWAP AGREEMENT
RELATIONAL TECHNOLOGY SERVICES, INC.	28214 NETWORK PLACE		BIRMINGHAM	AL	35244		INTEREST SWAP AGREEMENT
			CHICAGO	IL	60673		PHONE SYSTEM MAINT/SUPPORT

In re: The Merit Group, Inc.
 Case No. 11-03216
 Schedule G
 Executive Contracts and Unexpired Leases

Name of other parties to lease or contract	Address 1	Address 2	City	State	Zip	Country	Description of contract or lease and nature of debtor's interest.
RICHARD SAUVE	1995 DAVIS ST		SAN LEANDRO	CA	94577		GUARANTY OF NON-COMPETITION AGREEMENTS
STONEHENGE OPPORTUNITY FUND II, L.P.	191 W. NATIONWIDE BLVD	SUITE 600	COLUMBUS	OH	43215		VOTING AGREEMENT
THE HARTFORD	OCEAN MARINE DEPARTMENT	301 WOODS PARK DRIVE	CLINTON	NY	13323		OCEAN CARGO INSURANCE
THOMAS R. UTGARD	191 W. NATIONWIDE BLVD	SUITE 600	COLUMBUS	OH	43215		INDEMNITY AGREEMENT
TRACTOR SUPPLY CO.	200 POWELL PLACE		BRENTWOOD	TN	37027		CUSTOMER AGREEMENT
TRAVELERS INSURANCE	385 WASHINGTON STREET		SAINT PAUL	MIN	55102-1356		CRIME INSURANCE; INCLUDES ERISA ENDORSEMENT
TRAVELERS INSURANCE	385 WASHINGTON STREET		SAINT PAUL	MIN	55102-1356		\$15 MILLION UMBRELLA POLICY
ZURICH AMERICAN INSURANCE COMPANY	1400 AMERICAN LANE		SCHAUMBURG	IL	60186-1056		PROPERTY INSURANCE
ZURICH AMERICAN INSURANCE COMPANY	1400 AMERICAN LANE		SCHAUMBURG	IL	60186-1056		GENERAL LIABILITY INSURANCE
ZURICH AMERICAN INSURANCE COMPANY	1400 AMERICAN LANE		SCHAUMBURG	IL	60186-1056		AUTOMOBILE INSURANCE
ZURICH AMERICAN INSURANCE COMPANY	1400 AMERICAN LANE		SCHAUMBURG	IL	60186-1056		WORKER COMPENSATION INSURANCE

B6H (Official Form 6H) (12/07)

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

SCHEDULE H - CODEBTORS

Provide the information requested concerning any person or entity, other than a spouse in a joint case, that is also liable on any debts listed by debtor in the schedules of creditors. Include all guarantors and co-signers. If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the eight-year period immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state, commonwealth, or territory. Include all names used by the nondebtor spouse during the eight years immediately preceding the commencement of this case. If a minor child is a codebtor or a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. Bankr. P. 1007(m)

Check this box if debtor has no codebtors.

NAME AND ADDRESS OF CODEBTOR	NAME AND ADDRESS OF CREDITOR
SEE ATTACHED SCHEDULE H	

In re: The Merit Group, Inc.
 Case No. 11-03216
 Schedule H
 Codebtors

Codebtor Name	Address	City	State	Zip	Creditor Name	Address 1	Address 2	City	State	Zip
CALEB FORT	603 HWY 56	SPARTANBURG	SC	29302	REGIONS BANK	191 PEACHTREE ST.	SUITE 3800	ATLANTA	GA	30303
EMERSON WOLFE	607 HWY 56	SPARTANBURG	SC	29302	REGIONS BANK	191 PEACHTREE ST.	SUITE 3800	ATLANTA	GA	30303
FIVE STAR GROUP, INC.	1310 UNION ST.	SPARTANBURG	SC	29302	REGIONS BANK	191 PEACHTREE ST.	SUITE 3800	ATLANTA	GA	30303
FIVE STAR GROUP, INC.	1310 UNION ST.	SPARTANBURG	SC	29302	STONEHENGE OPPORTUNITY FUND II, L.P.	191 W. NATIONWIDE BLVD.	SUITE 600	COLUMBUS	OH	43215
FIVE STAR PRODUCTS, INC.	1310 UNION ST.	SPARTANBURG	SC	29302	REGIONS BANK	191 PEACHTREE ST.	SUITE 3800	ATLANTA	GA	30303
FIVE STAR PRODUCTS, INC.	1310 UNION ST.	SPARTANBURG	SC	29302	STONEHENGE OPPORTUNITY FUND II, L.P.	191 W. NATIONWIDE BLVD.	SUITE 600	COLUMBUS	OH	43215
MERIT PAINT SUNDRIES, LLC	1310 UNION ST.	SPARTANBURG	SC	29302	REGIONS BANK	191 PEACHTREE ST.	SUITE 3800	ATLANTA	GA	30303
MERIT PAINT SUNDRIES, LLC	1310 UNION ST.	SPARTANBURG	SC	29302	STONEHENGE OPPORTUNITY FUND II, L.P.	191 W. NATIONWIDE BLVD.	SUITE 600	COLUMBUS	OH	43215
MERIT PRO FINISHING TOOLS, LLC	1310 UNION ST.	SPARTANBURG	SC	29302	REGIONS BANK	191 PEACHTREE ST.	SUITE 3800	ATLANTA	GA	30303
MERIT PRO FINISHING TOOLS, LLC	1310 UNION ST.	SPARTANBURG	SC	29302	STONEHENGE OPPORTUNITY FUND II, L.P.	191 W. NATIONWIDE BLVD.	SUITE 600	COLUMBUS	OH	43215
MERIT SUPPLY COMPANY, LLC	1310 UNION ST.	SPARTANBURG	SC	29302	REGIONS BANK	191 PEACHTREE ST.	SUITE 3800	ATLANTA	GA	30303
MERIT SUPPLY COMPANY, LLC	1310 UNION ST.	SPARTANBURG	SC	29302	STONEHENGE OPPORTUNITY FUND II, L.P.	191 W. NATIONWIDE BLVD.	SUITE 600	COLUMBUS	OH	43215
MERIT TRANSPORTATION, INC.	1310 UNION ST.	SPARTANBURG	SC	29302	REGIONS BANK	191 PEACHTREE ST.	SUITE 3800	ATLANTA	GA	30303
MERIT TRANSPORTATION, INC.	1310 UNION ST.	SPARTANBURG	SC	29302	STONEHENGE OPPORTUNITY FUND II, L.P.	191 W. NATIONWIDE BLVD.	SUITE 600	COLUMBUS	OH	43215

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA, COLUMBIA

In re: The Merit Group, Inc.

Case No. 11-03216 (HEB)

DECLARATION CONCERNING DEBTOR'S SCHEDULES

I, Jon Heard, Chief Financial Officer of the corporation named as debtor in this case, declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of 54 sheets, and that they are true and correct to the best of my knowledge, information, and belief.

Date 6/21/2011

Signature: 

Jon Heard

Chief Financial Officer